

Exhibit A



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ONE LIBERTY PLACE, 52ND FLOOR
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January 8, 2020

Process Server

CHUBB GROUP HOLDINGS, INC.
436 Walnut Street
Philadelphia, Pennsylvania 19106

Re: Keystone Sports and Entertainment LLC, et al., vs. Chubb Group Holdings, Inc., et al., PCCCP No.: 210100008

To Whom It May Concern:

Enclosed herewith, please find Plaintiffs' Complaint pertaining to the matter in the subject line in which Chubb Group Holdings, Inc. is a defendant.

Kindly respond to the complaint within the time period prescribed by the Pennsylvania Rules of Civil Procedure.

We suggest that you forward this letter and enclosed documents, expediently, to your legal department and the counsel of your choice

Very truly yours,

/s/ Marni S. Berger
MARNI S. BERGER, ESQ.

MSB/jeg

Civil Cover Sheet

For Prothonotary Use Only (Docket Number)		
JANUARY 2021		000008
E-Filing Number: 2101000050		
PLAINTIFF'S NAME KEYSTONE SPORTS AND ENTERTAINMENT LLC		DEFENDANT'S NAME FEDERAL INSURANCE COMPANY
PLAINTIFF'S ADDRESS 2501 SEAPORT DRIVE, BH 100 CHESTER PA 19013		DEFENDANT'S ADDRESS 251 NORTH ILLINOIS, SUITE 1100 INDIANAPOLIS IN 46204
PLAINTIFF'S NAME FC PENNSYLVANIA STADIUM LLC		DEFENDANT'S NAME CHUBB INA HOLDINGS, INC.
PLAINTIFF'S ADDRESS 2501 SEAPORT DRIVE, BH 100 CHESTER PA 19013		DEFENDANT'S ADDRESS 436 WALNUT STREET PHILADELPHIA PA 19106
PLAINTIFF'S NAME PENNSYLVANIA PROFESSIONAL SOCCER LLC		DEFENDANT'S NAME CHUBB GROUP HOLDINGS, INC.
PLAINTIFF'S ADDRESS 2501 SEAPORT DRIVE, BH 100 CHESTER PA 19013		DEFENDANT'S ADDRESS 436 WALNUT STREET PHILADELPHIA PA 19106
TOTAL NUMBER OF PLAINTIFFS 6	TOTAL NUMBER OF DEFENDANTS 3	COMMENCEMENT OF ACTION <input checked="" type="checkbox"/> Complaint <input type="checkbox"/> Petition Action <input type="checkbox"/> Notice of Appeal <input type="checkbox"/> Writ of Summons <input type="checkbox"/> Transfer From Other Jurisdictions
AMOUNT IN CONTROVERSY <input type="checkbox"/> \$50,000.00 or less <input checked="" type="checkbox"/> More than \$50,000.00	COURT PROGRAMS <input type="checkbox"/> Arbitration <input type="checkbox"/> Mass Tort <input checked="" type="checkbox"/> Commerce <input type="checkbox"/> Settlement <input type="checkbox"/> Jury <input type="checkbox"/> Savings Action <input type="checkbox"/> Minor Court Appeal <input type="checkbox"/> Minors <input type="checkbox"/> Non-Jury <input type="checkbox"/> Petition <input type="checkbox"/> Statutory Appeals <input type="checkbox"/> W/D/Survival <input type="checkbox"/> Other:	
CASE TYPE AND CODE 1D - INSURANCE, DECLARATORY JUDGMNT.		
STATUTORY BASIS FOR CAUSE OF ACTION		
RELATED PENDING CASES (LIST BY CASE CAPTION AND DOCKET NUMBER) FILED PRO PROTHY JAN 02 2021 A. SILIGRINI		IS CASE SUBJECT TO COORDINATION ORDER? YES NO
TO THE PROTHONOTARY: Kindly enter my appearance on behalf of Plaintiff/Petitioner/Appellant: <u>KEYSTONE SPORTS AND ENTERTAINMENT LLC , FC PENNSYLVANIA STADIUM LLC ,</u> Papers may be served at the address set forth below.		
NAME OF PLAINTIFF'S/PETITIONER'S/APPELLANT'S ATTORNEY ROBERT J. MONGELUZZI		ADDRESS ONE LIBERTY PLACE 52ND FLOOR 1650 MARKET ST. PHILADELPHIA PA 19103
PHONE NUMBER (215) 496-8282	FAX NUMBER (215) 496-0999	
SUPREME COURT IDENTIFICATION NO. 36283		E-MAIL ADDRESS VSmith@smbb.com
SIGNATURE OF FILING ATTORNEY OR PARTY ROBERT MONGELUZZI		DATE SUBMITTED Saturday, January 02, 2021, 03:06 pm

FINAL COPY (Approved by the Prothonotary Clerk)

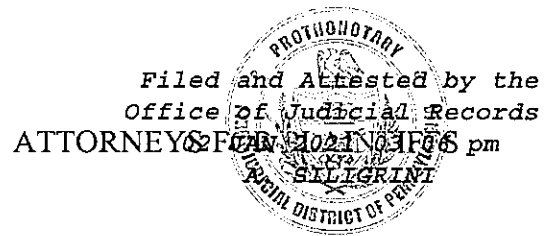
COMPLETE LIST OF PLAINTIFFS:

1. KEYSTONE SPORTS AND ENTERTAINMENT LLC
2501 SEAPORT DRIVE, BH 100
CHESTER PA 19013
2. FC PENNSYLVANIA STADIUM LLC
2501 SEAPORT DRIVE, BH 100
CHESTER PA 19013
3. PENNSYLVANIA PROFESSIONAL SOCCER LLC
2501 SEAPORT DRIVE, BH 100
CHESTER PA 19013
4. RIVERTOWN, TCI, LP
2501 SEAPORT DRIVE, BH 100
CHESTER PA 19013
5. RIVERTOWN DEVELOPERS, L.P.
2501 SEAPORT DRIVE, BH 100
CHESTER PA 19013
6. KSE U2 LLC
2501 SEAPORT DRIVE, BH 100
CHESTER PA 19013

This case is subject to the Commerce Program because it is not an arbitration matter and it falls within one or more of the following types (check all applicable):

- _____ 1. Actions relating to the internal affairs or governance, dissolution or liquidation, rights or obligations between or among owners (shareholders, partners, members), or liability or indemnity of managers (officers, directors, managers, trustees, or members or partners functioning as managers) of business corporations, partnerships, limited partnerships, limited liability companies or partnerships, professional associations, business trusts, joint ventures or other business enterprises, including but not limited to any actions involving interpretation of the rights or obligations under the organic law (e.g., Pa. Business Corporation Law), articles of incorporation, by-laws or agreements governing such enterprises;
- X 2. Disputes between or among two or more business enterprises relating to transactions, business relationships or contracts between or among the business enterprises. Examples of such transactions, relationships and contracts include:
- _____ a. Uniform Commercial Code transactions;
- _____ b. Purchases or sales of business or the assets of businesses;
- X c. Sales of goods or services by or to business enterprises;
- _____ d. Non-consumer bank or brokerage accounts, including loan, deposit cash management and investment accounts;
- _____ e. Surety bonds;
- _____ f. Purchases or sales or leases of, or security interests in, commercial, real or personal property; and
- _____ g. Franchisor/franchisee relationships.
- _____ 3. Actions relating to trade secret or non-compete agreements;
- _____ 4. "Business torts," such as claims of unfair competition, or interference with contractual relations or prospective contractual relations;
- _____ 5. Actions relating to intellectual property disputes;
- _____ 6. Actions relating to securities, or relating to or arising under the Pennsylvania Securities Act;
- _____ 7. Derivative actions and class actions based on claims otherwise falling within these ten types, such as shareholder class actions, but not including consumer class actions, personal injury class actions, and products liability class actions;
- _____ 8. Actions relating to corporate trust affairs;
- X 9. Declaratory judgment actions brought by insurers, and coverage dispute and bad faith claims brought by insureds, where the dispute arises from a business or commercial insurance policy, such as a Comprehensive General Liability policy;
- _____ 10. Third-party indemnification claims against insurance companies where the subject insurance policy is a business or commercial policy and where the underlying dispute would otherwise be subject to the Commerce Program, not including claims where the underlying dispute is principally a personal injury claim.

SALTZ MONGELUZZI & BENDESKY P.C.
 BY: ROBERT J. MONGELUZZI/JEFFREY P. GOODMAN/
 MARNI S. BERGER/SAMUEL B. DORDICK
 IDENTIFICATION NOS: 36283/309433/309303/322647
 52ND FLOOR
 1650 MARKET STREET
 PHILADELPHIA, PA 19103
 (215) 496-8282



**KEYSTONE SPORTS AND
ENTERTAINMENT LLC**

2501 Seaport Drive, BH100
 Chester, PA 19013

And

FC PENNSYLVANIA STADIUM LLC

2501 Seaport Drive, BH100
 Chester, PA 19013

And

**PENNSYLVANIA PROFESSIONAL SOCCER
LLC**

2501 Seaport Drive, BH100
 Chester, PA 19013

And

RIVERTOWN DEVELOPERS, L.P.

2501 Seaport Drive, BH100
 Chester, PA 19013

And

RIVERTOWN, TCI, LP

2501 Seaport Drive, BH100
 Chester, PA 19013

And

KSE U2 LLC

2501 Seaport Drive, BH100
 Chester, PA 19013

vs.

FEDERAL INSURANCE COMPANY

251 North Illinois, Suite 1100
 Indianapolis, Indiana 46204

And

CHUBB INA HOLDINGS, INC.

436 Walnut Street,
 Philadelphia, Pennsylvania 19106

And

CHUBB GROUP HOLDINGS, INC.

436 Walnut Street,
 Philadelphia, Pennsylvania 19106

**PHILADELPHIA COUNTY
COURT OF COMMON PLEAS**

COMMERCE PROGRAM

JANUARY TERM 2021

No.:

JURY TRIAL DEMANDED

"NOTICE

"You have been sued in court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this complaint and notice are served, by entering a written appearance personally or by an attorney and filing in writing with the court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgement may be entered against you by the court without further notice for any money claimed in the complaint or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

"YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP.

THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER.

IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.

PHILADELPHIA BAR ASSOCIATION
LAWYER REFERRAL and INFORMATION SERVICE
One Reading Center
Philadelphia, Pennsylvania 19107
(215) 238-1701

"AVISO

"Le han demandado en corte. Si usted quiere defenderse contra las demandas nombradas en las páginas siguientes, tiene veinte (20) días, a partir de recibir esta demanda y la notificación para entablar personalmente o por un abogado una comparecencia escrita y también para entablar con la corte en forma escrita sus defensas y objeciones a las demandas contra usted. Sea avisado que si usted no se defiende, el caso puede continuar sin usted y la corte puede incorporar un juicio contra usted sin previo aviso para conseguir el dinero demandado en el pleito o para conseguir cualquier otra demanda o alivio solicitados por el demandante. Usted puede perder dinero o propiedad u otros derechos importantes para usted.

USTED DEBE LLEVAR ESTE DOCUMENTO A SU ABOGADO INMEDIATAMENTE. SI USTED NO TIENE ABOGADO (O NO TIENE DINERO SUFICIENTE PARA PAGAR A UN ABOGADO), VAYA EN PERSONA O LLAME POR TELEFONO LA OFICINA NOMBRADA ABAJO PARA AVERIGUAR DONDE SE PUEDE CONSEGUIR ASISTENCIA LEGAL. ESTA OFICINA PUEDE PROPORCIONARLE LA INFORMACION SOBRE CONTRATAR A UN ABOGADO.

SI USTED NO TIENE DINERO SUFICIENTE PARA PAGAR A UN ABOGADO, ESTA OFICINA PUEDE PROPORCIONARLE INFORMACION SOBRE AGENCIAS QUE OFRECEN SERVICIOS LEGALES A PERSONAS QUE CUMPLEN LOS REQUISITOS PARA UN HONORARIO REDUCIDO O NINGUN HONORARIO.

ASOCIACION DE LICENCIADOS DE
FILADELFIA
SERVICO DE REFERENCA E INFORMACION
LEGAL
One Reading Center
Filadelfia, Pennsylvania 19107
Telefono: (215) 238-1701

ORIGINAL CIVIL ACTION COMPLAINT AND JURY DEMAND

Plaintiffs, Keystone Sports and Entertainment LLC, FC Pennsylvania Stadium LLC; Pennsylvania Professional Soccer LLC, Rivertown Developers, L.P., Rivertown TCI, L.P., and KSE U2 LLC (collectively “Plaintiffs” or “Insureds”), file this Complaint for declaratory judgment and breach of contract against Defendants, Federal Insurance Company (“Federal”), Chubb INA Holdings, Inc. (“Chubb INA”), and Chubb Group Holdings, Inc. (“Chubb Group”) (collectively, “Defendants”) alleging the following:

I. INTRODUCTION

1. This action for declaratory judgment and breach of contract arises out of Defendants’ failure to comply with their obligations and provide insurance coverage for Plaintiffs’ claims under an “All-Risks” insurance policy, Customarq Series Customarq Classic Insurance Program Policy Number 3594-16-31 PHL, which was sold by Defendant Federal Insurance Company to Plaintiffs (the “Policy”).

2. Plaintiffs’ business is conducted in Subaru Park, an 18,500-seat stadium located at One Stadium Drive, Chester, Pennsylvania 19013; the training fields immediately outside of Subaru Park; the Training Facility located at 2525 Seaport Drive, Chester, Pennsylvania 19013; and an office building located at 2501 Seaport Drive, Chester, Pennsylvania 19013, all of which are insured premises under the Policy (collectively referred to as the “Insured Premises”).

3. Subaru Park is a world-class event space that hosts Major League Soccer, in addition to numerous other sporting events, concerts, entertainment events, private special events, training clinics, camps and tours. Subaru Park is the home of Major League Soccer’s Philadelphia Union, the winner of the 2020 Supporters’ Shield (a major trophy given to the team

with the best regular season record). The multipurpose event facility features 29 luxury suites, a full-service club restaurant open on event days and a built-in concert stage.

4. The Philadelphia Union Major League Soccer team trains, studies, and practices at the Training Facility for its matches and games. The Philadelphia Union also holds public training sessions at the Training Facility, where fans watch the team practice, and where sponsors pay for advertising space and other active marketing opportunities in order to advertise to those fans. Likewise, fans can purchase merchandise, food and beverages in Subaru Park and sponsors pay significant sums for advertising space throughout Subaru Park.

5. The Policy provides business interruption coverage for business income and other related losses caused by “direct physical loss or damage.” Due to COVID-19, Plaintiffs’ properties have suffered “direct physical loss or damage” under the plain and ordinary meaning of that term. Plaintiffs have suffered “direct physical loss or damage” because COVID-19 impaired Plaintiffs’ properties. COVID-19 made Subaru Park and the Insured Premises unusable in the way that they had been used before the onset of the COVID-19 pandemic.

6. COVID-19 has physically infested the Insured Premises.

7. Instead of being able to pack fans into Subaru Park and the training fields to enjoy soccer and other sporting events, concerts, entertainment events, private special events, training clinics, camps, and tours, Plaintiffs had to keep the properties closed, and upon reopening had to substantially limit public attendance. And instead of allowing the Philadelphia Union team to study, work out, train, practice for their soccer matches and host public training camps, Plaintiffs had to keep the Training Fields and Facility completely closed for a considerable period of time. Even now, they must still operate at a significantly reduced capacity at the Training Fields and Facility.

8. These losses are direct—Plaintiffs are not asking their insurer for reimbursement after someone obtained a judgment against them for getting them sick. That might be an indirect loss. Rather, Plaintiffs are asking them to pay for their loss of business income occasioned directly by the inability to use their properties due to the actual presence and continued threat of COVID-19 infestation.

9. These losses are physical. Plaintiffs have been and are unable to use Subaru Park and the Insured Premises in the manner in which they had previously been used.¹ The Insured Properties have lost at least part of their functionality and most of their ability to generate revenue. The probable presence of the virus and probability of illness prevents the use of the Insured Premises in their normal way in no less of a way than, on a rainy day, a crumbling and open roof from the aftermath of a tornado would make the interior space of a business unusable.

10. Moreover, the SARS-CoV-2 virus that causes COVID-19 is physical—it can be seen, counted, measured, and destroyed; it replicates itself and destroys other cells and organisms. Importantly, it can exist in the air and on surfaces for indeterminate periods of time, and it can be transferred from the air and surfaces into human bodies. The presence of the virus in a facility is a *physical* presence, and it is a damaging one. COVID-19 was physically present at the Insured Properties and rendered their use dangerous.

11. These losses are losses under the Policy. They result from the loss of functionality of the spaces otherwise available for the purpose of generating business income. The losses

¹ Note, however, that Plaintiffs are not seeking recovery for their loss of use. Plaintiffs are seeking coverage for their loss of business income. As an example that drives home the difference, some law firms have been unable to use their office space because of COVID-19, but nevertheless the law firms' business income has increased and they thus have faced no loss of business income. A claim by such a law firm for not being able to use its office space would be a "loss of use" claim. But the law firm would have no loss of *business income* claim. Here, Plaintiffs' businesses have stalled because of the impairment of their business spaces, and Plaintiffs are seeking the loss of business income under the business interruption coverage of their property insurance Policy.

reflect the diminishment of the physical space in the building. What once could hold tens of thousands of raucous and energetic fans can now hold few fans, and what once could hold both professional and amateur athletes training to perfect their skills now holds only limited training of athletes in the same space at the same time. What could once sell merchandise to tens of thousands of paying customers can now sell to only a mere fraction of those customers.

12. These losses constitute damage. A physical virus has been present in and around Plaintiffs' facilities, impairing their function for their ordinary and intended uses, forcing their closure, and requiring steps to be taken to physically restore the facilities to a usable state.

13. Numerous Philadelphia Union athletes and staff that were present in the Insured Premises tested positive for COVID-19.²

14. Insurers around the country are now asking federal and state judges to interpret the words "direct physical loss or damage," but those words need no interpretation. What insurers want is for courts to change the meaning of those terms—instead of just letting a jury apply the facts of the case to these ordinary words and reach a verdict in the same way a jury would reach a verdict if it were called upon to answer whether a person was injured or property was damaged.

15. Plaintiffs entered into an insurance contract with Defendant Federal, the language to which, upon information and belief, was reviewed and/or approved by Defendants Chubb INA and Chubb Group. Although the Policy provides coverage to Plaintiff for "all-risks," including that of business interruption and related losses due to physical loss or damage to property, Defendants have reneged on their obligations. Defendants have relied on their own inapplicable exclusions and their own internal schemes to limit or altogether deny Plaintiffs from the recovery to which they are entitled. Plaintiffs have paid premiums in full and relied on the Policy as a

² Plaintiffs cannot, at this time, publicly disclose the identity of those who have tested positive for COVID-19 due to HIPAA regulations.

shield against unforeseen loss or damage and resulting loss of income. Yet, instead of following through on their end of the bargain, Defendants have failed to honor their duties under the Policy.

II. THE PARTIES

16. Plaintiff Keystone Sports and Entertainment LLC is organized under the laws of the State of Delaware, with its principal place of business at 2501 Seaport Drive, Suite BH100, Chester, Pennsylvania 19013, and is an additional Named Insured under the Policy. See **Exhibit 1** at 188.

17. Plaintiff FC Pennsylvania Stadium LLC is organized under the laws of the State of Delaware, with its principal place of business at One Seaport Drive, Chester, Pennsylvania 19013, and is a Named Insured under the Policy. See **Exhibit 1** at 10 & 188.

18. Plaintiff Pennsylvania Professional Soccer LLC is organized under the laws of the State of Delaware with its principal place of business at 2501 Seaport Drive, Suite BH100, Chester, PA 19013, and is an additional Named Insured under the Policy. See **Exhibit 1** at 188.

19. Plaintiff Rivertown Developers, L.P., is organized under the laws of the State of Pennsylvania with its principal place of business at 2501 Seaport Drive, Suite BH100, Chester, Pennsylvania 19013, and is an additional Named Insured under the Policy. See **Exhibit 1** at 188.

20. Plaintiff Rivertown TCI, L.P. is organized under the laws of the State of Pennsylvania with its principal place of business at 2501 Seaport Drive, Suite BH100, Chester, Pennsylvania 19013, and is an additional Named Insured under the Policy. See **Exhibit 1** at 188.

21. KSE U2 LLC is organized under the laws of the State of Delaware with its principal place of business at 2501 Seaport Drive, Suite BH100, Chester, PA 19013. KSE U2 LLC is a

covered entity under the Policy because it is a wholly owned subsidiary of Keystone Sports and Entertainment LLC, an additional Named Insured. See **Exhibit 1** at 188.

22. Defendant Federal Insurance Company (“Federal”) is incorporated under the laws of the State of Indiana, with a principal place of business located at 251 North Illinois, Suite 1100, Indianapolis, Indiana 46204.

23. Federal is authorized to do business and issue insurance policies in the Commonwealth of Pennsylvania.

24. Chubb INA Holdings, Inc. (“Chubb INA”) is incorporated under the laws of the State of Pennsylvania, with a principal place of business located at 436 Walnut Street, Philadelphia, Pennsylvania 19106.

25. Chubb Group Holdings Inc. (“Chubb Group”) is incorporated under the laws of the State of Pennsylvania, with a principal place of business located at 436 Walnut Street, Philadelphia, Pennsylvania 19106.

III. JURISDICTION AND VENUE

26. Subject matter jurisdiction exists over this matter pursuant to the Pennsylvania Declaratory Judgments Act, 42 Pa. Const. Stat §§7531-7541, which may be invoked to interpret the obligations of the parties under an insurance contract.

27. This court has personal jurisdiction over Defendants because they do business within the Commonwealth of Pennsylvania and because the instant dispute arose from Defendants’ activities within the Commonwealth of Pennsylvania.

28. Venue is proper pursuant to Pa. R. Civ. P. 2179(b) because all three defendants regularly transact business in Philadelphia County and derive substantial revenue from their activities in Philadelphia County. Additionally, the obligations under the contract at issue were

to be performed, at least in part, in Philadelphia County and allegations and claims for relief set forth in this Complaint arise out of unlawful acts committed in Philadelphia County. Furthermore, Chubb INA and Chubb Group maintain principal places of business in Philadelphia County.

IV. FACTUAL BACKGROUND

29. The Policy covers the Insured Premises at Subaru Park, an 18,500-seat stadium located at One Stadium Drive, Chester, Pennsylvania 19013; the training fields outside of Subaru Park; the Training Facility located at 2525 Seaport Drive, Chester, Pennsylvania 19013; and the office building located at 2501 Seaport Drive, Chester, Pennsylvania 19013. The Insured Premises are world-class sports and entertainment facilities and related training facilities and office space. Subaru Park and the adjacent training fields can host a variety of events in addition to professional soccer games, including concerts, tailgates, and community activities. Subaru Park operated continuously from its construction in 2010 through March of 2020, when it was forced to close its doors to paying customers and cancel events due to the actual infestation and continued threat of COVID-19 and the resultant orders issued by governmental authorities.

30. Prior to the COVID-19 pandemic, Subaru Park would routinely host the Army-Navy soccer game, Collegiate Rugby Championship, lacrosse, and other major ticketed events, but these events had to be canceled due to COVID-19 and the subsequent civil authority orders.

31. In addition, the Philadelphia Union regularly hosted youth programs including clinics, camps, and tournaments at the Training Facility.

32. Federal is an insurance company that sold an insurance policy to Plaintiffs providing coverage to Plaintiffs against business income loss incurred resulting from “direct

physical loss or damage³. . .” See Policy No. 3594-16-31 PHL, attached hereto as **Exhibit 1**. The Policy had an effective term of July 1, 2019 to July 1, 2020.

33. For the premises located at 2501 Seaport Drive and One Stadium, the Policy provides blanket limits of \$168,772,890 for building, personal property and electronic data processing coverage and Business Income With Extra Expense Coverage limits of \$18,000,000. The Business Income With Extra Expense Coverage is split into two sub-sections entitled “Premises Coverages” and “Additional Coverages.” In pertinent part, the Premises Coverages include but are not limited to “Ingress and Egress Coverage,” and the Additional Coverages include but are not limited to Civil Authority and Dependent Business Premises Coverage.

34. For the Office Building located at 2501 Seaport Drive, the Policy provides Business Income with Extra Expense Coverage with limits of \$4,815,016.

35. The Policy provides an additional \$1,000,000 in Blanket Limits for the Premises Coverages which includes but is not limited to sub-limits of \$250,000 per location in extra expense coverage; and \$25,000 per location in loss prevention coverage. **Exhibit 1**, at p. 21-24.

36. The Policy also provides Dependent Business Premises coverage with limits of \$250,000 per occurrence and Ingress or Egress coverage with limits of \$50,000 per occurrence. **Exhibit 1**, at p. 26-27.

37. In exchange for Federal’s agreement to take on Plaintiffs’ risk of loss, Plaintiffs paid \$163,038.00 in premiums for the Policy from July 1, 2019 to July 1, 2020. Plaintiffs have paid or tendered all consideration required under the Policy, including payment of premium.

³ Though the Policy includes some coverage exclusions, none of the exclusions are applicable to Plaintiffs’ claims.

A. COVID-19 Is a Highly Contagious and Deadly Communicable Disease

38. COVID-19, a disease resulting from the SARS-CoV-2 novel coronavirus, is a deadly communicable disease that has already infected approximately 19.2 million people in the United States and killed more than 330,000 Americans.⁴

39. While a vaccine was just very recently developed and approved for use, the availability of the vaccine is extremely limited and doses are being rationed to those who have a more immediate need for the vaccine, such as front-line healthcare workers. It is sure to be a considerable amount of time until the majority of Americans are vaccinated.

40. On March 11, 2020, the World Health Organization (“WHO”) declared the COVID-19 outbreak a pandemic.⁵ On March 13, 2020, President Trump declared a national emergency due to the outbreak in the United States.⁶

41. The time between exposure to the coronavirus and first symptoms, otherwise known as the incubation period, for COVID-19 can last up to 14 days.⁷ Some COVID-19 patients show symptoms, and some are asymptomatic. Even asymptomatic persons can transmit COVID-19 for an extended period of time, thought to be even longer than 14 days.⁸ Those

⁴ See <https://www.cdc.gov/coronavirus/2019-ncov/cases-updates/cases-in-us.html> (last viewed October 29, 2020).

⁵ See <https://www.who.int/dg/speeches/detail/who-director-general-s-opening-remarks-at-the-media-briefing-on-covid-19---11-march-2020> (last viewed October 29, 2020).

⁶ See <https://www.whitehouse.gov/presidential-actions/proclamation-declaring-national-emergency-concerning-novel-coronavirus-disease-covid-19-outbreak/> (last viewed October 29, 2020).

⁷ See <https://www.cdc.gov/coronavirus/2019-ncov/hcp/clinical-guidance-management-patients.html#:~:text=The%20incubation%20period%20for%20COVID,CoV%2D2%20infection.> (last viewed October 29, 2020).

⁸ See <https://www.acpjournals.org/doi/10.7326/M20-3012> (last viewed October 29, 2020).

people who eventually show symptoms can also spread the disease even in their pre-symptomatic state.⁹

42. COVID-19 can also exist on surfaces for days. COVID-19 remains active on plastic and stainless steel surfaces for up to three days, on cardboard for 24 hours, on copper for four hours, and is detectable in aerosols for up to three hours.¹⁰

43. All of these materials are used by Plaintiffs and otherwise present in the Insured Premises.

B. Plaintiffs' Employees and Athletes Contracted COVID-19 and Were Present in the Insured Premises, Causing the Insured Premises to be Closed Down

44. In early March, 2020, the Philadelphia Union reported that one of its athletes had tested positive for COVID-19. This was the first positive COVID-19 case in all of Major League Soccer.¹¹

45. Thereafter, additional Philadelphia Union athletes and staff members tested positive for COVID-19 in 2020. These athletes and staff members were present at the Insured Premises on multiple locations during the time period leading up to their positive test results. Individuals who came into contact with persons diagnosed with COVID-19 were also present at the Insured Premises on various dates in 2020.

46. Upon information and belief, individuals who were asymptomatic or pre-symptomatic and unknowingly carrying the coronavirus, including but not limited to team members, coaches, staff, employees and fans were present at the Insured Premises in 2020.

⁹ See https://www.who.int/docs/default-source/coronaviruse/situation-reports/20200402-sitrep-73-covid-19.pdf?sfvrsn=5ae25bc7_2 (last viewed October 29, 2020).

¹⁰ See <https://www.nih.gov/news-events/nih-research-matters/study-suggests-new-coronavirus-may-remain-surfaces-days> (last viewed October 29, 2020).

¹¹ See <https://www.usatoday.com/story/sports/mls/union/2020/04/01/coronavirus-philadelphia-union-player-first-mls-case-covid-19/5109563002/> (last viewed December 28, 2020).

47. Consequently, droplets and aerosols containing coronavirus spread from infected individuals to surfaces and the HVAC systems throughout the Insured Premises, thereby causing physical damage and alteration to property and harming the air quality therein.

48. Due to the extreme threat posed by COVID-19, Major League Soccer suspended all league and team activities on March 12, 2020.¹²

49. Due to the confirmed COVID-19 cases and confirmed COVID-19 presence at the Insured Premises, it became necessary to close Subaru Park, the adjacent practice fields, and Training Facility that comprise the Insured Premises on March 12, 2020. The staff that works in the office building was also sent home.

50. The Insured Premises were closed due to the presence of COVID-19.

51. Even after Subaru Park reopened to Philadelphia Union fans in a limited 15% capacity on October 11, 2020, the combined number of fans permitted all season was less than one game's worth of fans in a regular season.

C. Federal, State, and Local Governments Issued Civil Authority Orders Because of COVID-19

52. Due to the highly-contagious nature of COVID-19, in an effort to slow the spread of COVID-19, and as a consequence of physical loss or damage caused by COVID-19, federal, state, and local governments issued orders limiting the amount of people who could congregate in a group, requiring many businesses to close, and ordering individuals to stay at home except to participate in "essential" activities like going to the grocery store or going to a doctor for a pressing medical issue ("the Closure Orders").

¹² *Id.*

53. Under the Closure Orders, businesses that were deemed to be “non-essential” were required to be closed, with their employees working from home (if they were able to work at home, depending on the type of business—if not, they could not work).

54. Yet, even businesses that were labeled as “essential” under the Closure Orders have been severely affected—for example, restaurants could stay open under many Closure Orders, but were originally limited to take-out or delivery only.

55. Mass gatherings were and still are restricted under applicable Closure Orders.

56. The first confirmed cases of COVID-19 in Pennsylvania were reported on March 6, 2020.¹³

57. On March 19, 2020, Pennsylvania Governor Tom Wolf issued an indefinite Executive Order which prohibited the operation of businesses that are not “life sustaining.” The Order prohibited the operation of any place of business in the Commonwealth of Pennsylvania that is not a life sustaining business regardless of whether the business is open to members of the public. Plaintiffs’ Insured Premises were covered by this March 19, 2020 Executive Order.¹⁴

58. The March 19, 2020 Stay at Home Order ordered that individuals residing in Allegheny, Bucks, Chester, Delaware, Monroe, Montgomery, and Philadelphia counties stay at home at their places of residence.¹⁵

59. The March 19, 2020 Executive Order was subsequently amended to include residents of numerous other Pennsylvania counties and was to stay in effect through April 30, 2020.¹⁶

¹³ See <https://www.ydr.com/story/news/2020/03/06/coronavirus-in-pa-first-covid-19-case-confirmed-in-pennsylvania-wayne-delaware-county/4966026002/> (last visited December 28, 2020).

¹⁴ See <https://www.governor.pa.gov/wp-content/uploads/2020/03/20200319-TWW-COVID-19-business-closure-order.pdf> (last visited December 28, 2020).

¹⁵ See <https://www.governor.pa.gov/newsroom/governor-wolf-and-health-secretary-issue-stay-at-home-orders-to-7-counties-to-mitigate-spread-of-covid-19/#:~:text=Rachel%20Levine%20today%20issued%20%E2%80%9CStay,continue%20until%20April%206%2C%202020.> (last visited December 28, 2020).

60. On April 1, 2020, the Pennsylvania Secretary of the Department of Health instituted a Stay at Home order for all persons residing in the Commonwealth of Pennsylvania.¹⁷

61. On April 5, 2020, the Pennsylvania Secretary of the Department of Health issued orders requiring building safety measures and cleaning protocols/guidelines that all businesses which were permitted to remain open had to abide by. These measures were in direct response to the actual presence of COVID-19 and the grave threat to health and safety presented by COVID-19.¹⁸

62. On April 25, 2020, Governor Wolf announced reopening metrics which called for a phased reopening by region after a region satisfied certain metrics, such as having fewer than fifty new confirmed cases per 100,000 people in the preceding fourteen days.

63. On May 1, 2020, Governor Wolf announced that twenty-four counties would begin to reopen as of May 8, 2020—Delaware County, where the Insured Premises are located, was not among the counties permitted to reopen.¹⁹

64. It was not until June 4, 2020, that Delaware County was included among the counties that could begin to reopen, albeit in a significantly limited capacity and with stringent social distancing requirements.²⁰

¹⁶ See <https://www.governor.pa.gov/newsroom/gov-wolf-and-sec-of-health-expand-stay-at-home-order-to-carbon-cumberland-dauphin-and-schuylkill-counties-extend-school-closures-indefinitely/#:~:text=Rachel%20Levine%20revised%20their%20%E2%80%9CStay,will%20continuc%20until%20April%2030.> (last visited December 28, 2020).

¹⁷ See <https://www.governor.pa.gov/newsroom/gov-wolf-sec-of-health-pennsylvania-on-statewide-stay-at-home-order-beginning-at-8-pm-tonight-most-prudent-option-to-stop-the-spread/#:~:text=The%20statewide%20stay%2Dat%2Dhome,business%20closures%20remain%20in%20effect.&text=Staying%20at%20home%20means%20you%20must%20stay%20at%20home.%E2%80%9D> (last visited December 28, 2020).

¹⁸ See <https://www.governor.pa.gov/wp-content/uploads/2020/04/20200405-SOH-Building-Safety-Measures.pdf> (last visited December 28, 2020).

¹⁹ See <https://www.governor.pa.gov/newsroom/gov-wolf-announces-reopening-of-24-counties-beginning-may-8/> (last visited December 28, 2020).

²⁰ See <https://www.governor.pa.gov/wp-content/uploads/2020/06/20200604-TWW-amendment-to-yellow-phase-order.pdf> (last visited December 28, 2020); <https://www.governor.pa.gov/wp-content/uploads/2020/04/20200415-SOH-worker-safety-order.pdf> (last visited December 28, 2020).

65. On July 15, 2020, Governor Wolf issued an Executive Order Directing Mitigation Measures, which included a ban on outdoor gatherings of more than 250 and on indoor gatherings of more than 25 for any business outside the retail food services industry.²¹ On October 6, 2020, Governor Wolf amended this July 15, 2020 order and laid out maximum occupancy restrictions which have and will continue to cripple Plaintiffs' ability to utilize their Insured Premises.²²

66. As a result of these orders, Subaru Park and Plaintiffs' other Insured Premises had to remain closed. None of Plaintiffs' businesses were or are considered "essential" or "life sustaining" under any of the Closure Orders or Stay at Home Orders.

67. Ultimately, with the limited exception of a handful of watch parties held with significantly reduced capacity during the July 2020 season tournament which were *not* ticketed revenue driving events, Plaintiffs were not able to reopen Subaru Park or its Insured Premises until October 11, 2020. Even when they did open Subaru Park to fans on October 11, 2020, they did so with extremely limited capacity. Plaintiffs' ability to accommodate their pre-COVID-19 number of paying customers was utterly decimated.

68. At the time of this filing, the applicable Closure Orders and Stay at Home Orders prohibit mass gatherings, like ones that were once routinely held at Subaru Park. Though the current orders have certain exceptions for professional sports teams to allow fans, if and as allowed by the Leagues in which the teams operate, the teams, including the Philadelphia Union, must still comply with CDC guidelines on social distancing, which highly impacts the amount of fans allowed to be inside of Subaru Park during any games or matches. Likewise, under the

²¹ See <https://www.governor.pa.gov/wp-content/uploads/2020/07/20200715-TWW-targeted-mitigation-order.pdf> (last visited December 28, 2020).

²² See <https://www.governor.pa.gov/wp-content/uploads/2020/10/20201006-TWW-amendment-to-targeted-mitigation-order.pdf> (last visited December 28, 2020).

current and applicable Closure Orders and Stay at Home Orders, training facilities are allowed to be opened under extremely strict guidelines.

69. As a result of the actual presence of COVID-19 at Plaintiffs' Insured Premises, the physical damage or loss caused by COVID-19, and the resulting Pennsylvania Closure Orders and Stay at Home Orders, Plaintiffs' ability to operate its business at the Insured Premises has been destroyed. Even where Plaintiffs have been permitted to resume some, but not all, of their business activities, Plaintiffs have come nowhere close to operating at their pre-COVID-19 level.

D. Plaintiffs' Business Was Interrupted and Their Events Cancelled Due to the Actual Presence of COVID-19

70. The actual presence of COVID-19 caused direct physical loss or damage to Plaintiffs' properties, by: (i) causing direct physical loss or damage to Subaru Park and the other Insured Premises; (ii) denying use of and damaging Subaru Park and the other Insured Premises; (iii) requiring physical repair and/or alterations to Subaru Park and the other Insured Premises; and (iv) by causing a necessary suspension of operations during a period of restoration.

71. Because of the spread and/or presence of COVID-19, the functional spaces in Subaru Park and the other Insured Premises have been diminished or entirely decimated by the spread and/or presence of COVID-19. For example, the Philadelphia Union, the Major League Soccer team which calls Subaru Park and the other Insured Premises its home, was scheduled to host eighteen (18) home matches at Subaru Park. However, due to the spread and/or actual presence of COVID-19 at Subaru Park and the other Insured Premises, the Philadelphia Union was only able to play nine (9) home games, only five (5) of which were able to host any fans (limited to 2,500 or fewer fans). The canceled games will not be rescheduled.

72. The combined number of fans that Subaru Park was able to host for the drastically reduced number of Philadelphia Union home games was less than a single game's worth of fans that would attend in a regular, non-COVID-19-plagued year.

73. For Philadelphia Union home games, before the COVID-19 pandemic, Subaru Park was typically filled to capacity of 18,500 paying fans. In the five (5) home games held since Subaru Park was permitted to reopen in a limited capacity, Plaintiffs have been limited to hosting less than approximately 10,000 total paying fans in all games combined.

74. Almost all business operations of Plaintiffs', most of which involve large gatherings at the insured properties, were initially canceled, and some remain canceled.

75. All of Plaintiffs' business operations have been severely negatively impacted.

76. In 2020, the Philadelphia Union secured the Supporters' Shield, winning the first title in the Club's history. Ordinarily, this success would enable Plaintiffs to more regularly sell out home games at Subaru Park, obtain lucrative sponsorship deals, and to enjoy substantially increased merchandise sales to paying fans during the home games at Subaru Park. Plaintiffs have been severely limited in their ability to realize these sources of revenue that would have accompanied the Philadelphia Union's success due to COVID-19.

77. Plaintiffs have had to expend significant sums of money in order to repair the physical loss or damage and the infestation on the surface of their Insured Premises.

78. To repair the physical loss or damage and the infestation on the surfaces caused by COVID-19, Plaintiffs made numerous operational and physical changes and/or structural alterations to Subaru Park and the Insured Premises.

79. In order to reopen the stadium, numerous measures were taken to effectively eliminate staff-to-fan contact. Fans are now assigned to pre-paid socially distanced parking lots

nearest to their seating locations. Prior to entry, fans are required to have their temperature scanned and show mobile tickets after clearing walk through metal detectors which were installed to ensure a touchless security screening. Signage and audible prompts regarding the stadium's COVID-19 protocol are apparent throughout the stadium.

80. Upon entry to the stadium, there is a one-way traffic flow within the concourse. Additionally, there are one-way vomitories from the concourse to the seating area. Distancing markers and plexiglass are found at all points of sale, reception desks, and other locations where face to face contact cannot be avoided. Cashless payment options are required. For some games, the concourse was divided into two halves and fans were required to stay in their designated half of the concourse.

81. Many touchless hand sanitizing stations have been bolted and installed throughout the covered properties including at all entrance points. As noted above, new equipment, machines, and a computer system in place to measure individuals' temperatures and monitor people specifically for COVID-19 are in place at the entryway of Subaru Park. Protective shields/dividers are found at all concession stands and retail store checkout areas. The locker rooms, suites, press box, and other areas have been repurposed or remodeled to permit additional spacing for social distancing. Chairs, tables, and/or other furniture has been removed or relocated and all food and beverage items have been packaged. Additionally, seating is spaced out throughout the bowl to allow for six feet of distance in all directions of each party, and tickets and parking passes have been converted to an exclusively mobile format. Concessions are only permitted via credit or debit card.

82. Even the bathroom experience at the stadium involves touchless toilets, sinks, paper towels and hand sanitizer. Every other bathroom sink and urinal is blocked off.

83. The buffet at the Stadium Club Bar is temporarily discontinued and only drinks are offered there. The bar is operating at a reduced capacity of 100 people with strict social measures in place. The retail store now holds no more than 15 people at a time.

84. Increased cleaning efforts to all surfaces, particularly high touch surfaces, are frequently implemented by dedicated staff members throughout the Insured Premises using electrostatic sprayers. Plaintiffs are also considering implementing changes to the HVAC systems and components.

85. The Philadelphia Union's training schedule was also dramatically altered in order to return to team training by way of a phased approach. Between May and August 2020, the team shifted from a voluntary phase of individual training to small group training with cohorts of three (3) to five (5) athletes using a gridding system with no more than six (6) players per field and, eventually, to full team training. During the initial phases of this revised schedule, the team practiced out of Wilmington and New Castle Delaware. At the Chester Training Facility, the drinking fountains have been blocked to reduce touch contact risks and players are only permitted to eat packaged foods. Each player is assigned a water bottle or sports drink to be placed upright to avoid the risk of infestation.

86. Thus, because the spread and presence of COVID-19 altered the structure of the physical spaces and property surfaces of the Insured Premises, there have been even more obvious structural alterations, changes and/or repairs made to Subaru Park and the other Insured Premises so that Plaintiffs can continue their businesses as much as possible after experiencing direct property damage caused by COVID-19 and so that Plaintiffs may avoid the imminent threat of further property damage.

87. Plaintiffs have suffered substantial losses due to the actual physical presence of COVID-19 and the ongoing threat of immediately impending COVID-19, which forced the closure of Subaru Park and the other Insured Premises, and the subsequent Closure Orders which kept these properties closed in full for months, severely limiting their function and ability to accommodate paying customers and fans when they were permitted to reopen.

E. Plaintiffs' "All-Risks" Policy Covers Plaintiffs' Claims

88. Federal Insurance Company, who sold the Policy to Plaintiffs, is a wholly-owned subsidiary of Defendant Chubb INA Holdings Inc. Defendant Chubb INA Holdings Inc. is owned by Chubb Group Holdings Inc.

89. The Policy is an All-Risks policy, meaning that it provides coverage for damage to property and lost income from all types of risks unless they are specifically excluded.²³ . . .”

90. Plaintiffs' insured locations under the Policy include the Subaru Park stadium located at One Stadium Drive, the Training Fields and Facility located at 2525 Seaport Drive and the Wharf at Rivertown Office Building located at 2501 Seaport Drive (“the Office Building”).

91. Although Federal drafted the Policy, upon information and belief, the key policy terms were approved by Chubb INA and/or Chubb Group.

92. Likewise, key underwriting and binding decisions pertinent to the Policy, including the decision not to include a “virus” exclusion in the Policy and, ultimately, to disclaim coverage without conducting a fair, reasonable, or adequate investigation, are believed to have involved all three Defendants.

²³ None of the exclusions in the Policy apply to Plaintiffs' claims.

1. COVID-19 Triggered Coverage under the “All-Risks” Policy

93. Coverage under the Policy is triggered due to the actual presence of COVID-19 at Subaru Park, the Training Fields and Facility and the Office Building and the ongoing threat of immediately impending COVID-19 and resulting loss or damage.

94. Furthermore, the presence of COVID-19 on property within 1,000 feet of Subaru Park, the Training Fields and Facility and the Office Building triggers coverage under the Policy.

95. COVID-19 has caused (and continues to cause) direct physical loss and physical damage, as described above, to property, including Plaintiffs’ properties.

96. Additionally, COVID-19 has caused (and continues to cause) Plaintiffs to experience covered business interruption losses.

97. Due to the losses covered by the Policy, Plaintiffs submitted claims to Defendants.

98. Despite Plaintiffs’ adherence to all terms of the Policy in accordance with the contract terms, Defendants, through Chubb Insurance Senior Claim Examiner Elmer Wells, denied Plaintiffs’ claims for Business Interruption losses by letter dated June 17, 2020. A copy of this letter is attached hereto as **Exhibit 2**.

99. Defendants sent this letter denying coverage and benefits owed under the Policy without conducting any meaningful investigation and in spite of clear policy language granting coverage for Plaintiffs’ losses. Defendants never even visited the insured locations to assess whether the insured locations sustained property damage or losses of any kind.

100. Defendants’ letter misstates that Plaintiffs did not sustain direct physical loss or damage to property at or within 1,000 feet of their premises and that no civil authority impacted Plaintiffs’ operations due to direct physical loss or damage to property.

101. Defendants' letter also erroneously invokes the "Acts or Decisions" Exclusion despite the fact that the exclusion expressly "does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded." Coronavirus is a cause of loss which is not excluded by any provision of the Policy.

2. Multiple Coverages Are Triggered Under the "All-Risks" Policy

102. The Policy's Premises Coverages contain a prefatory clause providing that the coverages are triggered not only by direct physical loss or damage to the actual premises shown in the Policy Declarations, but also by direct physical loss or damage within 1,000 feet of those premises. See **Exhibit 1** at 59.

103. This 1,000-foot extension of the insured premises for purposes of Business Income with Extra Expense Coverage is independent from the Ingress and Egress and Civil Authority coverages, both of which include a one-mile radius as part of their respective grant of coverages. The prefatory clause specifically provides:

<i>Premises Coverages</i>	<p>The following Premises Coverages apply only at those premises for which a Limit Of Insurance applicable to such coverages is shown in the Declarations.</p> <p>Except as otherwise provided, direct physical loss or damage must:</p> <ul style="list-style-type: none"> • be caused by or result from a covered peril; and • occur at, or within 1,000 feet of, the premises, other than a dependent business premises, shown in the Declarations.
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104. As set forth more particularly below, other pertinent coverages are also triggered under the Policy, including but not limited to, the Business Income and Extra Expense, Ingress and Egress, Civil Authority, Dependent Business, Preservation of Property and Extra Expense Coverages.

***Business Income And
Extra Expense***

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your operations; and
- **extra expense** you incur due to the actual or potential impairment of your operations, during the period of restoration, not to exceed the applicable Limit Of Insurance for Business Income With Extra Expense shown in the Declarations.

This actual or potential impairment of operations must be caused by or result from direct physical loss or damage by a covered peril to property, unless otherwise stated.

This Premises Coverage applies only at those premises:

- where you incur a **business income** loss or **extra expense**; and
- for which a Limit Of Insurance for Business Income With Extra Expense is shown in the Declarations.

If a Limit Of Insurance for Business Income With Extra Expense is shown as applicable to a premises in the Declarations, such limit reflects your total Limit Of Insurance at that premises and the Limit Of Insurance for Extra Expense shown in the Supplementary Declarations – Property does not apply.

a. Defendants Should Compensate Plaintiffs for Their Losses Because COVID-19 Triggered the Policy's Business Income and Extra Expense Coverage.

105. Under the Policy, Defendants promised to pay Plaintiffs Business Income and Extra Expense Coverage due to the impairment of their operations during the period of restoration caused by “direct physical loss or damage” to the insured properties as follows:

See **Exhibit 1** at 59.

106. Due to the spread and actual presence of COVID-19 at Subaru Park, the Training Fields and Facility and the Office Building, Plaintiffs have suffered Business Income and Extra Expense losses as a direct result of physical loss and damage that is insured by the Policy as described above.

107. The “Period of Restoration” began on or about March 12, 2020, when Major League Soccer suspended all games effective immediately and will continue until the covered properties can be made ready for normal full-capacity operations.

b. Defendants Should Compensate Plaintiffs for Their Losses Because COVID-19 Triggered the Policy's Ingress And Egress Coverage.

<i>Ingress And Egress</i>	<p>We will pay for the actual:</p> <ul style="list-style-type: none"> • business income loss you incur due to the actual impairment of your operations; and • extra expense you incur due to the actual or potential impairment of your operations, when existing ingress to or egress from a premises shown in the Declarations is prevented due to direct physical loss or damage by a covered peril to property, provided such property is within: <ul style="list-style-type: none"> • one mile; or • the applicable miles shown in the Declarations, <p>from such premises, whichever is greater.</p> <p>This Premises Coverage will begin at the time of direct physical loss or damage and will continue until the expiration of 30 consecutive days thereafter or whenever your business income coverage ends, whichever occurs first.</p> <p>This Premises Coverage does not apply if the:</p> <ul style="list-style-type: none"> • direct physical loss or damage is caused by or results from earthquake or flood; or • ingress to or egress from your premises is prohibited by civil authority. <p>The most we will pay for this Premises Coverage is the applicable Limit Of Insurance for Ingress And Egress shown under Business Income in the Declarations.</p>
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108. Under the Policy, Defendants promised to pay Plaintiffs Business Income and Extra Expenses that result when ingress and egress to the insured premises is prevented due to “direct physical loss or damage” to property within one mile of the insured premises as follows:

See **Exhibit 1** at 61.

109. Due to COVID-19 and the physical loss and damage of COVID-19 at other nearby properties, Plaintiffs’ businesses have been interrupted because of the total or partial prevention of ingress or egress to and from Subaru Park, the Training Fields and Facility and the Office Building.

110. The business interruption losses caused by the prevention of ingress or egress to and from Subaru Park, the Training Fields and Facility and the Office Building are covered under the Policy.

c. Defendants Should Compensate Plaintiffs for Their Losses Because COVID-19 Triggered the Policy's Civil Authority Coverage.

111. Under the Policy, Defendants promised to pay Plaintiffs Business Income and Extra Expense incurred when access to the insured premises is prohibited by order of a Civil Authority as follows:

<i>Civil Authority</i>	<p>We will pay for the actual:</p> <ul style="list-style-type: none"> • business income loss you incur due to the actual impairment of your operations; and • extra expense you incur due to the actual or potential impairment of your operations, directly caused by the prohibition of access to: <ul style="list-style-type: none"> • your premises; or • a dependent business premises, <p>by a civil authority.</p> <p>This prohibition of access by a civil authority must be the direct result of direct physical loss or damage to property away from such premises or such dependent business premises by a covered peril, provided such property is within:</p> <ul style="list-style-type: none"> • one mile; or • the applicable miles shown in the Declarations, <p>from such premises or dependent business premises, whichever is greater.</p>
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See **Exhibit 1** at 63.

112. Due to the actual physical presence of COVID-19 at and nearby Subaru Park, the Training Fields and Facility and the Office Building, and the resulting direct physical loss or damage, the Pennsylvania Governor and Secretary of Health issued orders which limited, restricted, and/or prohibited access to the insured premises.

113. Consequently, Plaintiffs have suffered actual losses and incurred extra expenses. The Policy affords coverage to Plaintiffs due to the Closure Orders which have caused substantial losses and extra expenses to Plaintiffs.

d. Defendants Should Compensate Plaintiffs for Their Losses Because COVID-19 Triggered the Policy's Dependent Business Coverage.

114. Under the Policy, Defendants promised to pay Plaintiffs Business Income and Extra Expense incurred when Dependent Business Premises experience direct physical loss or damage” as follows:

<i>Dependent Business Premises</i>	<p>We will pay for the actual:</p> <ul style="list-style-type: none"> • business income loss you incur due to the actual impairment of your operations; and • extra expense you incur due to the actual or potential impairment of your operations, <p>during the period of restoration, not to exceed the applicable Limit Of Insurance for Dependent Business Premises shown under Business Income in the Declarations.</p> <p>This actual or potential impairment of operations must be caused by or result from direct physical loss or damage by a covered peril to property or personal property of a dependent business premises at a dependent business premises.</p> <p>You may purchase higher limits for specific dependent business premises only by showing such premises in the Declarations. Such higher limits apply to actual business income loss or extra expense only if the covered direct physical loss or damage occurs at such dependent business premises.</p> <p>This Additional Coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or flood.</p>
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See **Exhibit 1** at 63.

115. The Policy defines “dependent business premises” as “premises operated by a person or organization other than you on whom you or others depend to deliver materials or services to you ...or attract customers to your business.” See **Exhibit 1** at 110. Subaru Park, the Training Fields and Facility and the Office Building rely upon other entertainment venues, vendors and advertising companies to deliver services and to attract customers.

116. Each such Dependent Business Premises suffered “direct physical loss or damage” which required them to close, and in turn, caused Plaintiffs to incur business income and extra expense.

117. Not only were these Dependent Business Premises forced to close, but the worldwide sports calendar as a whole was drastically affected as a result of COVID-19.

Naturally, Plaintiffs' fans were unable to gather at any one of the Dependent Premises to watch them play and forced Plaintiffs to incur a high volume of covered losses.

e. Defendants Should Compensate Plaintiffs for Their Losses Because They Have Incurred Costs and Sustained Actual Loss to Protect and Preserve Insured Property.

118. Due to the actual presence and spread of COVID-19 causing direct physical loss or damage, and the ongoing threat of immediately impending physical loss or damage (as described above) at Subaru Park, the Training Fields and Facility and the Office Building, Plaintiffs incurred costs to temporarily protect or preserve their insured property, including all costs associated with having to close down Subaru Park, the Training Fields and Facility and the Office Building and the costs to make the properties safe. The Policy provides coverage for such costs to the extent they are reasonable and necessary.

119. The Policy specifically required Plaintiffs to proceed as follows:

Take every reasonable step to protect the covered property from further loss or damage, and keep a record of your expenses necessary to protect such covered property for consideration in the settlement of the claim. This will not increase any Limit Of Insurance. However, we will not pay for any subsequent loss or damage resulting from a peril that is not a covered peril. Also, if feasible, set the lost or damaged property aside and in the best possible order for examination.

See **Exhibit 1** at 102.

120. The costs incurred by Plaintiffs as set forth above were reasonably necessary because they prevented further insured physical loss or damage.

121. Accordingly, under the Policy, Defendants must compensate Plaintiffs for those costs.

f. Defendants Should Compensate Plaintiffs for Their Losses Because COVID-19 Triggered the Policy's Extra Expense Coverage.

122. The actual physical presence and spread of COVID-19 at Subaru Park, the Training Fields and Facility and the Building has caused Plaintiffs to incur reasonable and necessary extra expenses because of the resulting impairment of operations and in an effort to continue, as nearly normal as practicable, the conduct of Plaintiffs' businesses.

123. The Policy provides coverage for such extra expenses as follows:

<i>Extra Expense</i>	<p>We will pay for the actual extra expense you incur due to the actual or potential impairment of your operations during the period of restoration, not to exceed the applicable Limit Of Insurance for Extra Expense shown in the Declarations.</p> <p>This actual or potential impairment of operations must be caused by or result from direct physical loss or damage by a covered peril to property unless otherwise stated.</p> <p>This Premises Coverage applies only at those premises:</p> <ul style="list-style-type: none"> • where you incur an extra expense loss; and • for which a Limit Of Insurance for Extra Expense is shown in the Declarations.
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See **Exhibit 1** at 73.

124. Plaintiffs have incurred extra expenses in addition to the expenses they would have normally incurred in conducting their businesses without the presence of COVID-19. Plaintiffs incurred these extra expenses due to the impairment of their operations caused by the direct physical loss or damage resulting from COVID-19.

125. They are therefore entitled to coverage for such reasonable and necessary extra expenses.

g. Plaintiffs' Losses Trigger Other Coverages.

126. In addition to the losses and coverages described above, Plaintiffs' COVID-19 losses are covered under any and all other coverages under the Policy that may apply. These include, but are not limited to, Preparation of Loss Fees. See **Exhibit 1** at 66.

3. No Exclusion Applies Which Affects Coverage

127. The Policy contains no exclusion which limits or bars coverage for the actual presence of COVID-19 or the threat created by that presence at and near Subaru Park, the Training Fields and Facility and the Office Building, the physical loss and damage to the Insured Premises, and/or the business interruption losses which have resulted and will continue to result from the physical loss and damage to property.

128. To the extent the Court finds that any exclusion(s) apply, they are unenforceable.

4. The Policy's Pollutant Clean-Up or Removal Exclusion Does Not Apply

129. Although the Business Income With Extra Expense coverage in the Policy includes a "Pollutant Clean-Up or Removal" exclusion, labeled a "Loss Payment Limitation," that exclusion does not apply to Plaintiffs' claims.

130. The Pollutant Clean-Up or Removal exclusion applies to extra expense incurred to clean up or remove "Pollutants" from land or a building, or incurred for "testing for, monitoring, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of pollutants." See **Exhibit 1** at p.70. Thus the exclusion only potentially applies to certain "extra expenses," not any of the business interruption or other losses claimed by Plaintiffs.

131. Notably absent from the definition of the Policy's definition of "**Pollutants**" is the term "virus."²⁴ In fact, the definition does not refer to any biological materials, bacteria, pathogens, or organisms of any kind. The term "**Pollutants**" under the policy cannot reasonably be interpreted to include virus.

²⁴ The Policy defines "**Pollutants**" to mean "any solid, liquid gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fibers, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed. **Pollutants** does not mean fungus." See **Exhibit 1** at 123.

132. Furthermore, the exclusion specifically exempts any “extra expense that you incur to the extent it reduces the amount of a covered business income loss that otherwise would have been payable under this contract.” See **Exhibit 1** at p.70. Because Plaintiffs’ extra expenses were incurred to respond to and reduce covered business income loss, the exclusion would not apply to those expenses.

133. Moreover, as noted above, the Acts or Decisions exclusion referenced in Defendants’ letter of June 17, 2020 is wholly inapplicable, when it appears in the Building and Personal Property coverage form, not the Business Income with Extra Expenses coverage form, and where, as here, COVID-19 is a cause of loss independent from the relevant civil authority orders.

134. At the same time, the Policy does not include, and is not subject to, any exclusion for losses caused by the spread of viruses or communicable diseases.

135. The lack of a virus or communicable disease exclusion is significant because the insurance industry has recognized that the presence of virus constitutes physical damage to property since at least 2006. When preparing so-called “virus” exclusions to be placed in some policies, but not others, the insurance industry drafting arm, The Insurance Services Office (“ISO”), circulated a statement to state insurance regulators that included the following:

Disease-causing agents may render a product impure (change its quality or substance), or enable the spread of disease by their presence on interior building surfaces or the surfaces of personal property. When disease-causing viral or bacterial contamination occurs, potential claims involve the cost of replacement of property (for example, the milk), cost of decontamination (for example, interior building surfaces), and business interruption (time element) losses. Although building and personal property could arguably become contaminated (often temporarily) by such viruses and bacteria, the nature of the property itself would have a bearing on whether there is actual property damage. An allegation of

property damage may be a point of disagreement in a particular case.

136. Indeed, many governmental bodies specifically found that COVID-19 causes property damage when issuing Closure Orders. *See* N.Y.C. Emergency Exec. Order No. 100, at 2 (Mar. 16, 2020)²⁵ (emphasizing the virulence of COVID-19 and that it “physically is causing property loss and damage”); N.Y.C. Emergency Exec. Order No. 103 at 1 (March 25, 2020)²⁶ (“actions taken to prevent the spread of COVID-19 “have led to property loss and damage”); Harris Cty. Tex. Office of Homeland Security & Emergency Mgmt., Order of Cty. J. Lina Hidalgo, at 2 (Mar. 24, 2020)²⁷ (emphasizing that the COVID-19 virus can cause “property loss or damage” due to its contagious nature and transmission through “person-to-person contact, especially in group settings”); Napa Cty. Cal. Health & Human Service Agency, Order of the Napa Cty. Health Officer (Mar. 18, 2020)²⁸ (issuing restrictions based on evidence of the spread of COVID-19 within the Bay Area and Napa County “and the physical damage to property caused by the virus”); City of Key West Fla. State of Local Emergency Directive 2020-03, at 2 (Mar. 21, 2020)²⁹ (COVID-19 is “causing property damage due to its proclivity to attach to surfaces for prolonged periods of time”); City of Oakland Park Fla. Local Public Emergency Action Directive, at 2 (Mar. 19, 2020)³⁰ (COVID-19 is “physically causing property damage”); Panama City Fla. Resolution No. 20200318.1 (Mar. 18, 2020)³¹ (stating that the resolution is necessary because of COVID-19’s propensity to spread person to person and because the “virus physically is causing property damage”); Exec. Order of the Hillsborough Cty. Fla. Emergency

²⁵ <https://www1.nyc.gov/assets/home/downloads/pdf/executive-orders/2020/eeo-100.pdf>

²⁶ <https://www1.nyc.gov/assets/home/downloads/pdf/executive-orders/2020/eeo-103.pdf>

²⁷ https://www.taa.org/wp-content/uploads/2020/03/03-24-20-Stay-Home-Work-Safe-Order_Harris-County.pdf

²⁸ <https://www.countyofnapa.org/DocumentCenter/View/16687/3-18-2020-Shelter-at-Home-Order>

²⁹ https://www.cityofkeywest-fl.gov/egov/documents/1584822002_20507.pdf

³⁰ <https://oaklandparkfl.gov/DocumentCenter/View/8408/Local-Public-Emergency-Action-Directive-19-March-2020-PDF>

³¹ <https://www.pcgov.org/AgendaCenter/ViewFile/Item/5711?fileID=16604>

Policy Group, at 2 (Mar. 27, 2020)³² (in addition to COVID-19’s creation of a “dangerous physical condition,” it also creates “property or business income loss and damage in certain circumstances”); Colorado Dep’t of Pub. Health & Env’t, Updated Public Health Order No. 20-24, at 1 (Mar. 26, 2020)³³ (emphasizing the danger of “property loss, contamination, and damage” due to COVID-19’s “propensity to attach to surfaces for prolonged periods of time”); Sixth Supp. to San Francisco Mayoral Proclamation Declaring the Existence of a Local Emergency, 26 (Mar. 27, 2020)³⁴ (“This order and the previous orders issued during this emergency have all been issued ... also because the virus physically is causing property loss or damage due to its proclivity to attach to surfaces for prolonged periods of time”); and City of Durham NC, Second Amendment to Declaration of State of Emergency, at 8 (effective Mar. 26, 2020)³⁵ (prohibiting entities that provide food services from allowing food to be eaten at the site where it is provided “due to the virus’s propensity to physically impact surfaces and personal property”).

137. Plaintiffs’ damages include, but are not limited to: the reduction of revenue and income related to the cancellation and/or indefinite postponements of Philadelphia Union home games, concerts, private special events, tours, youth camps, and public training camps. Plaintiffs’ damages further include, but are not limited to, the reduction of revenue and income related to: the fact that the Philadelphia Union had games with limited or no fans; the stadium retail stores’ and concession stands’ limited sales due to the cancelled events and/or fan-free events or limited-fan events; the cancellation, reduction, or seasonal postponement of brand

³²<https://www.hillsboroughcounty.org/library/hillsborough/mediacenter/documents/administrator/epg/saferathomeorder.pdf>

³³ <https://www.pueblo.us/DocumentCenter/View/26395/Updated-Public-Health-Order---032620>

³⁴ https://sfgov.org/sunshine/sites/default/files/sotf_061020_item3.pdf

³⁵https://durhamnc.gov/DocumentCenter/View/30043/City-of-Durham-Mayor-Emergency-Dec-Second-Amdmt-3-25-20_FINAL

sponsorships due to the cancelled or limited-capacity or fan-free events and games; the lack of the ability to have sponsor activations at the Training Fields and Facility due to the training camp being closed to the public; and a sizable increase in travel expenses. Significantly, Plaintiffs damages are further related to the inability to profit from the Philadelphia Union's success in clinching the overall record of Major League Soccer for the 2020 regular season and winning the Supporters' Shield because of direct physical loss or damage brought about by COVID-19. Plaintiffs will continue to suffer damages if other scheduled events and games are cancelled or limited in the future due to COVID-19.

V. CLAIMS ALLEGED

COUNT I Declaratory Judgment

138. Plaintiffs, Keystone Sports and Entertainment LLC, FC Pennsylvania Stadium LLC, Pennsylvania Professional Soccer LLC, Rivertown Developers, L.P., Rivertown TCI, L.P., and KSE U2 LLC, incorporate by reference the allegations contained in Paragraphs 1-137 above, as if set out in full herein.

139. Plaintiffs seek the Court's declaration of the parties' rights and duties under the Policy pursuant to the Pennsylvania Declaratory Judgments Act, 42 Pa. Const. Stat §§7531-7541.

140. A justiciable controversy exists between Plaintiffs and Defendants regarding the availability of coverage under the Policy for Plaintiffs' claims.

141. The controversy between Plaintiffs and Defendants is ripe for judicial review.

142. Therefore, Plaintiffs seek a declaration from this Court that:

- a. The various Policy coverage provisions identified in this Complaint are triggered by Plaintiffs' claim;
- b. No Policy exclusions apply to prohibit or limit coverage for Plaintiffs' claims; and

c. The Policy covers Plaintiffs' claim.

COUNT II

Breach of Contract and Duty of Good Faith and Fair Dealing

143. Plaintiffs, Keystone Sports and Entertainment, LLC, FC Pennsylvania Stadium LLC, Pennsylvania Professional Soccer LLC, Rivertown Developers, L.P., Rivertown TCI, L.P., and KSE U2 LLC, incorporate by reference the allegations contained in Paragraphs 1-142 above as if set out in full herein.

144. The Policy constitutes a valid and existing contract of insurance requiring Defendants to properly compensate Plaintiffs for their losses.

145. Any ambiguity in its terms or doubts as to the application of coverage is to be resolved in favor of Plaintiffs and coverage granted in accordance with their reasonable expectations.

146. Despite Plaintiffs reasonably believing and relying on the terms of the Policy to confer coverage in the event that they were forced to cease and/or reduce operations as a result of the loss or damage of the Insured Premises brought about by viruses such as COVID-19 and Closure Orders issued because of said loss or damage brought about by viruses such as COVID-19, Defendants have breached the Policy and violated their duty of good faith and fair dealing by failing to pay Plaintiffs for their business interruption losses.

147. Plaintiffs sustained damages due to the actual physical presence of COVID-19, the existence and ongoing threat and spread of COVID-19, and the Closure Orders prohibiting large gatherings resulting from COVID-19, but Defendants have failed to comply with their obligations and have failed to compensate Plaintiffs for their claim.

148. As a direct and foreseeable result of Defendant's breach of contract and duty of good faith and fair dealing, Plaintiffs have been deprived of the benefits due to them as a result

of their covered loss, including but not limited to the Business Income and Extra Expense, Ingress and Egress, Civil Authority, Dependent Business, Preservation of Property and Extra Expense Coverage.

149. Additionally, Plaintiffs have suffered other consequential damages by reason of damage to their business operations for an amount in excess of the coverage set forth in the Policy, including but not limited to damage to, their business operations, reduction in value, profitability of business operations and assets, and the ability to capitalize on their winning 2020 regular season record.

150. Plaintiffs have been required to retain the services of attorneys to commence this action and are further entitled to attorneys' fees and costs.

VI. REQUEST FOR RELIEF

WHEREFORE, Plaintiffs respectfully request that this Court enter judgment in their favor and against Defendants as follows:

- 1) A declaration from this Court that:
 - a. The various coverage provisions identified in this Complaint are triggered by Plaintiffs' claims;
 - b. No exclusion in the Policy applies to prohibit or limit coverage for Plaintiffs' claims; and
 - c. The Policy covers Plaintiffs' claims.
- 2) For actual, special, compensatory, and consequential damages against Defendants in an amount to be proved at trial in excess of the \$50,000 jurisdictional threshold;
- 3) Pre- and post-judgment interest as provided by law;
- 4) An award of attorneys' fees and cost of suit incurred; and

5) For such other and further relief as the Court deems proper.

VII. JURY TRIAL DEMANDED

Plaintiffs respectfully request a trial by jury on all issues so triable.

Date: January 2, 2021

Respectfully submitted,

/s/ Robert J. Mongeluzzi

Robert J. Mongeluzzi; ID No. 36283

Jeffrey P. Goodman; ID No. 309433

Marni S. Berger; ID No. 309303

Samuel B. Dordick; ID No. 322647

**SALTZ MONGELUZZI &
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fbowen@bbblawllp.com

Douglas Daniels*
DANIELS & TREDENNICK
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Houston, Texas 77057
Telephone: 713-917-0024
douglas.daniels@dtlawyers.com

*Applications for admission *pro hac vice* to be filed.

VERIFICATION

I, ~~Tim McDermott~~, President of Keystone Sports and Entertainment LLC, hereby verify ~~that the facts set forth within the Complaint are true and correct to the best of my knowledge, information and belief. This Verification is made subject to the penalties of 18 Pa.C.S. § 4904, relating to unsworn falsification to authorities.~~

KEYSTONE SPORTS AND ENTERTAINMENT LLC

Dated: 1/01/2021

BY: 
Tim McDermott, President

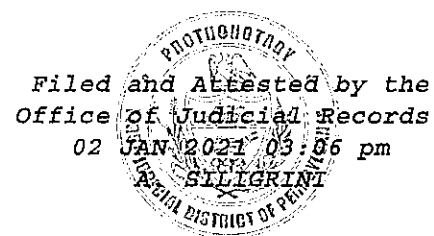


Exhibit 1

CHUBB®**Customarq Series
Customarq Classic Insurance Program****Premium Bill**

Policy Period JULY 1, 2019 TO JULY 1, 2020

Effective Date JULY 1, 2019

Policy Number 3594-16-31 PHL

Insured FC PENNSYLVANIA STADIUM, LLC T/A TALEN ENERGY STADIUM

Name of Company FEDERAL INSURANCE COMPANY

Date Issued AUGUST 1, 2019

Portion of total premium attributable for terrorism and statutory standard fire where applicable is \$ 6,401.00

PLEASE SEND PAYMENT TO AGENT OR BROKER.

<u>Date Payment Due</u>	<u>Premium</u>
JULY 1, 2019	\$ 40,759.50
OCTOBER 1, 2019	\$ 40,759.50
JANUARY 1, 2020	\$ 40,759.50
APRIL 1, 2020	\$ 40,759.50
TOTAL	\$ 163,038.00

WHEN SENDING PAYMENT, PLEASE INDICATE POLICY NUMBER ON YOUR CHECK.

NOTE: PLEASE RETURN THIS BILL WITH PAYMENT AND INCLUDE ANY ADDITIONAL CHANGES.

Producer:

JOHNSON, KENDALL & JOHNSON, INC.
109 PHEASANT RUN
NEWTOWN, PA 18940-0000



IMPORTANT NOTICE TO POLICYHOLDERS

TERRORISM RISK INSURANCE ACT

This Important Notice is being provided with your policy to further satisfy the disclosure requirements of the Terrorism Risk Insurance Act.

At the time you received the written offer for this policy, we provided you with an Important Notice to Policyholders indicating that the insurance provided in your policy for losses caused by certain acts of terrorism (as defined in the Terrorism Risk Insurance Act) would be partially reimbursed by the United States of America, pursuant to the formula set forth in the Terrorism Risk Insurance Act. In addition, as required by the Terrorism Risk Insurance Act, we:

- indicated that we would make available insurance for such losses in the same manner as we provide insurance for other types of losses;
- specified the premium we would charge, if any, for providing such insurance; and
- except to the extent prohibited by law, gave you the opportunity to reject such insurance and have a terrorism exclusion, sublimit or other limitation included in your policy.

This Important Notice refers back to that Important Notice and provides information about your decision and the manner in which your policy has been subsequently modified.

If:

- You rejected terrorism insurance under the Terrorism Risk Insurance Act, your policy includes the appropriate amendatory endorsement(s).
- You did not reject terrorism insurance under the Terrorism Risk Insurance Act, the premium charged for your policy, including that portion applicable to terrorism insurance under the Terrorism Risk Insurance Act, is shown in your policy. To the extent your policy includes a limitation on terrorism insurance, it has been modified so that such limitation does not apply to terrorism insurance under the Terrorism Risk Insurance Act.

Please carefully review your policy and the Important Notice previously provided to you for further details. Please remember that only the terms of your policy establish the scope of your insurance protection.

Please note that if your policy:

- *provides commercial property insurance in a jurisdiction that has a statutory standard fire policy, the premium we charge for terrorism insurance under the Terrorism Risk Insurance Act, includes an amount attributable to the insurance provided pursuant to that standard fire policy. Rejection of such statutory insurance is legally prohibited.*
- *is a workers compensation policy, rejection of insurance for terrorism is legally prohibited.*

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.



IMPORTANT NOTICE TO POLICYHOLDERS

This Important Notice is not your policy. Please read your policy carefully to determine your rights, duties, and what is and what is not covered. Only the provisions of your policy determine the scope of your insurance protection.

THIS IMPORTANT NOTICE PROVIDES INFORMATION CONCERNING POSSIBLE IMPACT ON YOUR INSURANCE COVERAGE DUE TO COMPLIANCE WITH APPLICABLE TRADE SANCTION LAWS.

PLEASE READ THIS NOTICE CAREFULLY.

Various trade or economic sanctions and other laws or regulations prohibit us from providing insurance in certain circumstances. For example, the United States Treasury Department's Office of Foreign Asset Control (OFAC) administers and enforces economic and trade sanctions and places restrictions on transactions with foreign agents, front organizations, terrorists, terrorists organizations, and narcotic traffickers. OFAC acts pursuant to Executive Orders of the President of the United States and specific legislation, to impose controls on transactions and freeze foreign assets under United States jurisdiction. (To learn more about OFAC, please refer to the United States Treasury's web site at <http://www.treas.gov/ofac>.)

Various trade or economic sanctions and other laws or regulations prohibit us from providing insurance in certain circumstances. For example, the United States Treasury Department's Office of Foreign Asset Control (OFAC) administers and enforces economic and trade sanctions and places restrictions on transactions with foreign agents, front organizations, terrorists, terrorists organizations, and narcotic traffickers. OFAC acts pursuant to Executive Orders of the President of the United States and specific legislation, to impose controls on transactions and freeze foreign assets under United States jurisdiction. (To learn more about OFAC, please refer to the United States Treasury's web site at <http://www.treas.gov/ofac>.)

To the extent that you or any other insured, or any person or entity claiming the benefits of this insurance has violated any applicable sanction laws, this insurance will not apply.

We have added a condition or section that applies to the entire policy called Compliance With Applicable Trade Sanctions, which stipulates that your insurance policy does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance.



POLICYHOLDER NOTICE

All of the members of the Chubb Group of Insurance companies doing business in the United States (hereinafter "Chubb") distribute their products through licensed insurance brokers and agents ("producers"). Detailed information regarding the types of compensation paid by Chubb to producers on US insurance transactions is available under the Producer Compensation link located at the bottom of the page at www.chubb.com, or by calling 1-866-588-9478. Additional information may be available from your producer.

Thank you for choosing Chubb.

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Customarq Series

IMPORTANT NOTICE TO POLICYHOLDERS

Insurance is provided by the Company designated on the Declarations Page of this policy. The addresses of the Chubb Group of Insurance Companies are shown below:

Federal Insurance Company
Capital Center
251 North Illinois, Suite 1100
Indianapolis, Indiana 46204-1927

Great Northern Insurance Company
Capital Center
251 North Illinois, Suite 1100
Indianapolis, Indiana 46204-1927

Pacific Indemnity Company
Two Plaza East, Suite 1450
330 East Kilbourn Avenue
Milwaukee, WI 53202-3146

Vigilant Insurance Company
55 Water Street
New York, New York 10041-2899

Administrative Offices for all of the Chubb Group of Insurance Companies are located at:
202B Hall's Mill Road, Whitehouse Station, NJ 08889

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Important Notice To Policyholders

**THIS IMPORTANT NOTICE PROVIDES INFORMATION CONCERNING
NEW YORK CITY LOCATIONS REQUIRING JURISDICTIONAL
INSPECTIONS**

PLEASE READ THIS NOTICE CAREFULLY

CHUBB PROPERTY AND CASUALTY INSURANCE COMPANY OF AMERICA, CHUBB PROPERTY AND CASUALTY INSURANCE COMPANY OF NEW YORK, CHUBB PROPERTY AND CASUALTY INSURANCE COMPANY OF NEW JERSEY, CHUBB PROPERTY AND CASUALTY INSURANCE COMPANY OF CALIFORNIA, CHUBB PROPERTY AND CASUALTY INSURANCE COMPANY OF FLORIDA, CHUBB PROPERTY AND CASUALTY INSURANCE COMPANY OF ILLINOIS, CHUBB PROPERTY AND CASUALTY INSURANCE COMPANY OF INDIANA, CHUBB PROPERTY AND CASUALTY INSURANCE COMPANY OF IOWA, CHUBB PROPERTY AND CASUALTY INSURANCE COMPANY OF KANSAS, CHUBB PROPERTY AND CASUALTY INSURANCE COMPANY OF KENTUCKY, CHUBB PROPERTY AND CASUALTY INSURANCE COMPANY OF LOUISIANA, CHUBB PROPERTY AND CASUALTY INSURANCE COMPANY OF MAINE, CHUBB PROPERTY AND CASUALTY INSURANCE COMPANY OF MARYLAND, CHUBB PROPERTY AND CASUALTY INSURANCE COMPANY OF MASSACHUSETTS, CHUBB PROPERTY AND CASUALTY INSURANCE COMPANY OF MICHIGAN, CHUBB PROPERTY AND CASUALTY INSURANCE COMPANY OF MINNESOTA, CHUBB PROPERTY AND CASUALTY INSURANCE COMPANY OF 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***New York City
Department Of
Buildings – Building
Owner Registration
Requirement To
Prevent Jurisdictional
Inspection Fines***

This Notice is intended to inform you that the New York City Department of Buildings requires building owners to register in the city's NOW Safety System. Required jurisdictional inspections can not be filed until this registration process has been completed and the email address of the building registrant has been provided to Chubb. Failure to complete registration and provide Chubb with this information will result in our inability to file inspections and can lead to missed inspection fines of \$1,000 or more per object which will be your responsibility.

Customarq Series

CHUBB®

Customarq Classic Insurance Program

FOR

**FC PENNSYLVANIA STADIUM, LLC T/A TALEN
ENERGY STADIUM**

Producer:

JOHNSON, KENDALL & JOHNSON, INC.
109 PHEASANT RUN
NEWTOWN, PA 18940-0000

Chubb Servicing Office:

PHILADELPHIA
436 WALNUT STREET
PHILADELPHIA, PA 19106

CHUBB®

Customarq Series
Customarq Classic Insurance Program

How To Report A Loss

To report a Loss, use the following procedure.

Loss Notification

If an **Insured Person** has a Loss, please contact us by telephone as soon as possible for further assistance:

Telephone Number: 1-800-252-4670

24 hours a day, 7 days a week

Fax Number

You may also fax the loss report during normal business hours to:

Fax Number: 1-800-300-2538

Mailing Address

You may mail your loss report to the following address:

Chubb Group Of Insurance Companies
Claim Service Center
600 Independence Parkway
P.O. Box 4700
Chesapeake, Va. 23327-4700

CHUBB®

Customarq Series
Customarq Classic Insurance Program

Table Of Contents

This Table Of Contents is provided to acquaint you with the overall organization of this policy.

POLICY ORGANIZATION

Insuring Agreement

Premium Summary

Property Insurance Section

Property Schedule Of Forms & Declarations

Property Contracts *

Property Endorsements

Common Policy Section

Common Policy Conditions

Common Policy Endorsements

* Note: Each contract within a section has its own Table Of Contents to facilitate your use of them.

last page

CHUBB®

Insuring Agreement

Named Insured and Mailing Address

FC PENNSYLVANIA STADIUM, LLC T/A TALEN
ENERGY STADIUM
2501 SEAPORT DRIVE, BH100
CHESTER, PA 19013

Chubb Group of Insurance Companies
202B Hall's Mill Road
Whitehouse Station, NJ 08889

Policy Number 3594-16-31 PHL

Effective Date JULY 1, 2019

Issued by the stock insurance company
indicated below, herein called the company.

FEDERAL INSURANCE
COMPANY

Producer No. 0051389-99999

Producer JOHNSON, KENDALL & JOHNSON, INC.
109 PHEASANT RUN
NEWTOWN, PA 18940-0000

Incorporated under the laws of
INDIANA

Company and Policy Period

Insurance is issued by the company in consideration of payment of the required premium.

This policy is issued for the period 12:01 AM standard time at the Named Insured's mailing address shown above:

From: JULY 1, 2019 *To:* JULY 1, 2020

Your acceptance of this policy terminates, effective with the inception of this policy, any prior policy of the same number issued to you by us.

This Insuring Agreement together with the Premium Summary, Schedule Of Forms, Declarations, Contracts, Endorsements and Common Policy Conditions comprise this policy.

In Witness Whereof, the company issuing this policy has caused this policy to be signed by its authorized officers, but this policy shall not be valid unless also signed by a duly authorized representative of the company.

President

Secretary

Authorized Representative

CHUBB®

Customarq Series
Customarq Classic Insurance Program

Premium Summary

Chubb Group of Insurance Companies
202B Hall's Mill Road
Whitehouse Station, NJ 08889

Named Insured and Mailing Address

FC PENNSYLVANIA STADIUM, LLC T/A TALEN
 ENERGY STADIUM
 2501 SEAPORT DRIVE, BH100
 CHESTER, PA 19013

Policy Number 3594-16-31 PHL

Effective Date JULY 1, 2019

*Issued by the stock insurance company
 indicated below, herein called the company.*

**FEDERAL INSURANCE
 COMPANY**

Producer No. 0051389-99999

*Incorporated under the laws of
 INDIANA*

Producer JOHNSON, KENDALL & JOHNSON, INC.
 109 PHEASANT RUN
 NEWTOWN, PA 18940-0000

Policy Period

From: JULY 1, 2019 **To:** JULY 1, 2020
 12:01 A.M. standard time at the Named Insured's mailing address shown above.

Premium Payment

The First Named Insured shown in the Declarations is responsible for the payment of all premiums and will be the payee for any return premiums we pay.

Premium Audit

Certain classifications within our rates and rules indicate that premiums calculated therefrom can be significantly affected by large increases or decreases in your business results. Based upon our underwriting review of information provided by you, we may at our discretion perform a premium audit. You may also request such an audit.

If an audit is conducted and additional premiums are due, they are payable upon notice to the First Named Insured. If as a result of an audit the premium paid is greater than the earned premium, we will return the excess to the First Named Insured. The First Named Insured must keep records of the information we need to perform the audit and send us copies at such times as we may request.

Coverage

Premium

TOTAL

\$ 163,038

Issue Date: AUGUST 1, 2019

continued

CHUBB®**Premium Summary**
(continued)

If ATD coverage is provided on this policy, additional certificate and handling fees may be imposed during the policy term.

Coverage Premium

Additional certificate and handling fees may be imposed as respects to certification of pressure equipment as mandated by State and/or local jurisdictional authorities.

Payment Plan

This policy premium is being billed as follows. The amounts shown are due and payable as of the dates shown below:

<u>Date Payment Due</u>	<u>Amount Due</u>
JULY 1, 2019	\$ 40,759.50
OCTOBER 1, 2019	\$ 40,759.50
JANUARY 1, 2020	\$ 40,759.50
APRIL 1, 2020	\$ 40,759.50

PROPERTY
DECLARATIONS

Property Insurance Section

Declarations

CHUBB®**Property Insurance****Schedule of Forms**

Policy Period JULY 1, 2019 TO JULY 1, 2020
Effective Date JULY 1, 2019
Policy Number 3594-16-31 PHL
Insured FC PENNSYLVANIA STADIUM, LLC T/A TALEN ENERGY STADIUM
Name of Company FEDERAL INSURANCE COMPANY
Date Issued AUGUST 1, 2019

The following is a schedule of forms issued as of the date shown above:

Form Number	Edition Date	Form Name	Effective Date	Date Issued
80-02-0280	7-03	SCHEDULE OF MORTGAGEES/LOSS PAYEES	07/01/19	08/01/19
80-02-0315	1-15	SUPP DEC-IMPAIRMENT OF COMP SERVICES	07/01/19	08/01/19
80-02-1303	3-19	ADD'L PERIL-EQ LIMIT/DED OR WAITING PERIOD	07/01/19	08/01/19
80-02-1428	3-19	ADD'L PERIL-FLOOD LIMIT/DED OR WP PER OCC	07/01/19	08/01/19
80-02-0005	1-18	PROPERTY DECLARATIONS	07/01/19	08/01/19
80-02-0225	7-03	PROPERTY SUPPLEMENTARY DEC.-BUSINESS INCOME	07/01/19	08/01/19
80-02-0230	1-15	PROPERTY SUPPLEMENTARY DECLARATIONS	07/01/19	08/01/19
80-02-1000	3-19	BUILDING AND PERSONAL PROPERTY	07/01/19	08/01/19
80-02-1004	3-19	BUSINESS INCOME WITH EXTRA EXPENSE	07/01/19	08/01/19
80-02-1018	3-19	EXTRA EXPENSE	07/01/19	08/01/19
80-02-1047	7-03	MOBILE EQUIPMENT	07/01/19	08/01/19
80-02-1095	7-03	IMPAIRMENT OF COMPUTER SERVICES-MALICIOUS PGM	07/01/19	08/01/19
80-02-1097	3-19	PROPERTY/BI CONDITIONS & DEFINITIONS	07/01/19	08/01/19
80-02-1324	10-06	WINDSTORM / HAIL DEDUCTIBLE OR WAITING PERIOD	07/01/19	08/01/19
80-02-1342	4-94	BULKHEADS AND RETAINING WALLS SPECIFIC LOI	07/01/19	08/01/19
80-02-1342	4-94	BLANKET MORTGAGEE/AI/LOSS PAYEE	07/01/19	08/01/19
80-02-1345	7-03	OFF PREMISES OVERHEAD UTILITY EQUIPMENT	07/01/19	08/01/19
80-02-1357	3-19	WATER DEDUCTIBLE OR WAITING PERIOD	07/01/19	08/01/19
80-02-1382	7-03	ADDITIONAL COVERAGE - PAVED SURFACES	07/01/19	08/01/19
80-02-1658	1-15	CAP ON CERT. TERRORISM LOSSES (ALL PREMISES)	07/01/19	08/01/19
80-02-1946	8-03	PENNSYLVANIA MANDATORY	07/01/19	08/01/19
80-02-5337	3-14	BLANKET LOSS PAYEE	07/01/19	08/01/19
80-02-5355	1-15	SPECIAL WAITING PERIOD PROVISION ADDED	07/01/19	08/01/19
80-02-5407	3-19	OCEAN CARGO COVERAGE ADDED	07/01/19	08/01/19
99-10-0996	4-18	IMPORTANT NOTICE-NY LOC INSPECTIONS	07/01/19	08/01/19

last page

CHUBB®**Property Insurance****Schedule of Mortgagees And Loss Payees**

Chubb Group of Insurance Companies
202B Hall's Mill Road
Whitehouse Station, NJ 08889

Named Insured and Mailing Address

FC PENNSYLVANIA STADIUM, LLC T/A TALEN
 ENERGY STADIUM
 2501 SEAPORT DRIVE, BH100
 CHESTER, PA 19013

Policy Number 3594-16-31 PHL

Effective Date JULY 1, 2019

*Issued by the stock insurance company
 indicated below, herein called the company.*

**FEDERAL INSURANCE
COMPANY**

Producer No. 0051389-99999

*Incorporated under the laws of
 INDIANA*

Producer JOHNSON, KENDALL & JOHNSON, INC.
 109 PHEASANT RUN
 NEWTOWN, PA 18940-0000

Policy Period

From: JULY 1, 2019 **To:** JULY 1, 2020
 12:01 A.M. standard time at the Named Insured's mailing address shown above.

SCHEDULE

PREMISES # 1 2501 SEAPORT DR AND ONE STADIUM
 CHESTER, PENNSYLVANIA 19013
 COUNTY OF DELAWARE

MORTGAGEE: GOLDMAN SACHS BANK, USA, AS ADMINISTRATIVE AGENT
 30 HUDSON STREET, 36TH FLOOR
 JERSEY CITY, NJ 07302

AND COLLATERAL AGENT, ITS SUCCESSORS AND/OR ASSIGNS
 ATTN: SBD OPERATIONS
 C/O GOLDMAN, SACHS & CO.

LOSS PAYEE: VGM FINANCIAL SERVICES
 1111 WEST SAN MARNAN DRIVE
 WATERLOO, IA 50701

LOSS PAYEE: PA DEPARTMENT OF COMMUNITY AND ECONOMIC
 DEVELOPMENT/MELF
 COMMONWEALTH KEYSTONE BUILDING, 400 NORTH STREET,
 FOURTH FLOOR, HARRISBURG, PA 17120

CHUBB®**Premises Summary**
(continued)

LOSS PAYEE: DE LAGE LANDEN
1111 OLD EAGLE SCHOOL RD
WAYNE, PA 19087

WITH RESPECT TO LEASED PORTABLE ELECTRONIC FIELD BOARDS
USED FOR SPONSORSHIP ADVERTISING AT THE STADIUM.
REPLACEMENT COST OF LEASED EQUIPMENT \$745,310

LOSS PAYEE: PNCEF LLC D/B/A PNC EQUIPMENT FINANCE
995 DALTON AVENUE, CINCINNATI, OH 45203-1101
RE: 4100-D TORO GROUNDS MASTER
LEASE #30411-2500000218

VALUE: \$53,000

LOSS PAYEE: GOLDMAN SACHS BANK, USA, AS ADMINISTRATIVE AGENT
30 HUDSON STREET, 36TH FLOOR
JERSEY CITY, NJ 07302

AND COLLATERAL AGENT, ITS SUCCESSORS AND/OR ASSIGNS
ATTN: SBD OPERATIONS
C/O GOLDMAN, SACHS & CO.

PREMISES # 3 2501 SEAPORT DR
THE WHARF AT RIVERTOWN
CHESTER, PENNSYLVANIA 19013
COUNTY OF DELAWARE

MORTGAGEE: M&T BANK ISAOA ATIMA
PO BOX 1358
BUFFALO, NY 14225-8358

LOSS PAYEE: M&T BANK ISAOA ATIMA
PO BOX 1358
BUFFALO, NY 14225-8358

Chubb. Insured.™

CHUBB®**Property Insurance****Declarations****Named Insured and Mailing Address**

FC PENNSYLVANIA STADIUM, LLC T/A TALEN
ENERGY STADIUM
2501 SEAPORT DRIVE, BH100
CHESTER, PA 19013

Producer No. 0051389-99999
Producer
JOHNSON, KENDALL & JOHNSON, INC.
109 PHEASANT RUN
NEWTOWN, PA 18940-0000

Chubb Group of Insurance Companies
202B Hall's Mill Road
Whitehouse Station, NJ 08889

Policy Number 3594-16-31 PHL
Effective Date JULY 1, 2019

*Issued by the stock insurance company
indicated below, herein called the company.*

**FEDERAL INSURANCE
COMPANY**

*Incorporated under the laws of
INDIANA*

Policy Period: From: JULY 1, 2019 To: JULY 1, 2020
12:01 A.M. standard time at the Named Insured's mailing address shown above.

Deductible \$ 25,000
Waiting Period 24 HOURS
Extended Period UNLIMITED

The information shown above applies to:

- all premises coverages;
- all additional coverages; and
- debris removal coverage,

and all premises shown in this and all other property declarations, unless corresponding specific information is shown as applicable to a specific premises or coverage.

Premises Schedule

1. 2501 SEAPORT DR AND ONE STADIUM, CHESTER, PA 19013
2. 2525 SEAPORT DR, CHESTER, PA 19013
3. 2501 SEAPORT DR, THE WHARF AT RIVERTOWN, CHESTER, PA 19013

Premises Coverages - Blanket LimitsBlanket Number and CoveragesLimits Of Insurance

1. BUILDING
PERSONAL PROPERTY
EDP PROPERTY

\$ 168,772,890

CHUBB®

Premises Coverages If "Blanket" or "Loss Limit" is shown under Limits Of Insurance as applicable to a Premises, please refer to the "Premises Coverages – Blanket Limits" section or the "Loss Limits Of Insurance" section above to determine the Limit Of Insurance applicable to such Premises. "Blanket" limits are numbered for ease of reference. If a specific limit is shown under Limits Of Insurance for a Premises Coverage, that Limit applies to such coverage, even if a "Blanket" limit applies to other Premises Coverage at such premises.

PREMISES #1 2501 SEAPORT DR AND ONE STADIUM
CHESTER, PENNSYLVANIA 19013

	<u>Limits Of Insurance</u>
BUILDING	BLANKET 1
PERSONAL PROPERTY	BLANKET 1
BUSINESS INCOME WITH EXTRA EXPENSE	\$ 18,000,000
BUSINESS INCOME	\$ 1,000,000
LOSS OF UTILITIES	
EDP PROPERTY	BLANKET 1
PAVED SURFACES	\$ 4,000,000
BUSINESS INCOME - LOSS OF UTILITIES OVERHEAD	\$ 100,000
COMMUNICATION TRANSMISSION OR DISTRIBUTION EQUIPMENT	

PREMISES #2 2525 SEAPORT DR
CHESTER, PENNSYLVANIA 19013

	<u>Limits Of Insurance</u>
BUILDING	BLANKET 1
PERSONAL PROPERTY	BLANKET 1
EDP PROPERTY	BLANKET 1

PREMISES #3 2501 SEAPORT DR
THE WHARF AT RIVERTOWN
CHESTER, PENNSYLVANIA 19013

	<u>Limits Of Insurance</u>
BUILDING	BLANKET 1
PERSONAL PROPERTY	BLANKET 1
BUSINESS INCOME WITH EXTRA EXPENSE	\$ 4,815,016
EDP PROPERTY	BLANKET 1

Additional Coverages

	<u>Limits Of Insurance</u>
MOBILE EQUIPMENT	
MOBILE EQUIPMENT	\$ 593,141
DEDUCTIBLE	\$ 1,000

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Property Insurance

Supplementary Declarations – Impairment Of Computer Services – Malicious Programming

Chubb Group of Insurance Companies
202B Hall's Mill Road
Whitehouse Station, NJ 08889

Named Insured and Mailing Address

FC PENNSYLVANIA STADIUM, LLC T/A TALEN
ENERGY STADIUM
2501 SEAPORT DRIVE, BH100
CHESTER, PA 19013

Policy Number 3594-16-31 PHL

Effective Date JULY 1, 2019

*Issued by the stock insurance company
indicated below, herein called the company.*

**FEDERAL INSURANCE
COMPANY**

Producer No. 0051389-99999

*Incorporated under the laws of
INDIANA*

Producer JOHNSON, KENDALL & JOHNSON, INC.
109 PHEASANT RUN
NEWTOWN, PA 18940-0000

Policy Period

From: JULY 1, 2019 **To:** JULY 1, 2020
12:01 A.M. standard time at the Named Insured's mailing address shown above.

The Limits Of Insurance shown below:

- are provided at no additional cost to you;
- apply anywhere within the Coverage Territory; and
- do not apply when the applicable coverage has been excluded as shown in the Declarations or by endorsement to this policy.

You may purchase increased Limits Of Insurance, and we will charge you an additional premium. If you purchase increased Limits Of Insurance, the Limits Of Insurance shown in the Declarations will reflect your total Limit Of Insurance, including the Limits Of Insurance shown below. Any applicable deductible will be shown in the Declarations with the coverage. If no deductible is shown in the Declarations with the coverage, then the Property Deductible will apply. Extra Expense is not subject to any deductible.

IMPAIRMENT OF COMPUTER SERVICES – MALICIOUS PROGRAMMING

INSIDE ATTACK	\$ 100,000
OUTSIDE ATTACK – PER OCCURRENCE	\$ 10,000
OUTSIDE ATTACK – ANNUAL AGGREGATE	\$ 50,000



Authorized Representative

Chubb. Insured.SM

CHUBB®

Property Insurance

Supplementary Declarations - Property

Named Insured and Mailing Address

FC PENNSYLVANIA STADIUM, LLC T/A TALEN
ENERGY STADIUM
2501 SEAPORT DRIVE, BH100
CHESTER, PA 19013

Chubb Group of Insurance Companies
202B Hall's Mill Road
Whitehouse Station, NJ 08889

Policy Number 3594-16-31 PHL

Effective Date JULY 1, 2019

*Issued by the stock insurance company
indicated below, herein called the company.*

**FEDERAL INSURANCE
COMPANY**

Producer No. 0051389-99999

*Incorporated under the laws of
INDIANA*

Producer JOHNSON, KENDALL & JOHNSON, INC.
109 PHEASANT RUN
NEWTOWN, PA 18940-0000

Policy Period

From: JULY 1, 2019 **To:** JULY 1, 2020
12:01 A.M. standard time at the Named Insured's mailing address shown above.

Covered Premises \$1,000,000 Blanket Limit Of Insurance

The Blanket Limit Of Insurance shown above applies only for the Premises Coverages shown below. Unless otherwise stated, this Blanket Limit Of Insurance applies separately at each covered premises shown in the Declarations. This Blanket Limit Of Insurance applies in excess of the applicable deductible shown in the Declarations.

At time of loss, the first Named Insured may elect to apportion this Blanket Limit Of Insurance to one or any combination of the Premises Coverages shown, but under no circumstance will the aggregate apportionment be permitted to exceed the Blanket Limit Of Insurance shown above at any one covered premises. For the purpose of the application of this \$1,000,000 Blanket Limit Of Insurance, all property at one premises shall constitute a single premises.

Separate specific Limits Of Insurance may be purchased for each of these Premises Coverages. If purchased, these Limits Of Insurance and any applicable deductible will be shown in the Declarations with the Premises Coverages. If no deductible is shown in the Declarations with the Premises Coverages, then the Property Deductible will apply. When a specific Limit Of Insurance is purchased for any of these Premises Coverages, such specific Limit Of Insurance will apply in addition to whatever amount the first Named Insured apportions to that coverage at time of loss as provided in the previous paragraphs.

Coverages Included In The Blanket Limit Of Insurance:

ACCOUNTS RECEIVABLE
ELECTRONIC DATA PROCESSING PROPERTY
FINE ARTS
LEASEHOLD INTEREST -
BONUS PAYMENT,
PREPAID RENT,
SUBLEASE PROFIT,
TENANTS' LEASE INTEREST

LEASEHOLD INTEREST - UNDAMAGED
TENANT'S IMPROVEMENTS & BETTERMENTS
NON - OWNED DETACHED TRAILERS
OUTDOOR TREES, SHRUBS, PLANTS OR LAWNS
PAIR AND SET
PERSONAL PROPERTY OF EMPLOYEES
PUBLIC SAFETY SERVICE CHARGES
RESEARCH AND DEVELOPMENT PROPERTY
VALUABLE PAPERS

Property Coverages

The Limits Of Insurance shown below:

- are provided for the Premises Coverages and Additional Coverages shown at no additional cost to you;
- apply separately at each premises shown in the Declarations, except for the following Additional Coverages which apply anywhere within the Coverage Territory:
 - Any Other Location;
 - Deferred Payments;
 - Exhibition, Fair Or Trade Show;
 - Installation;
 - In Transit; or
 - Mobile Communication Property (greater than 1,000 feet from a premises shown in the Declarations); and
- do not apply when the applicable coverage has been excluded as shown in the Declarations or by endorsement to this policy.

The Limits Of Insurance for:

- Debris Removal; and
- Preparation Of Loss Fees,

apply separately at each premises shown in the Declarations or anywhere within the Coverage Territory.

You may purchase increased Limits Of Insurance, and we will charge you an additional premium. If you purchase increased Limits Of Insurance for any of these coverages, the Limits Of Insurance shown in the Declarations will reflect your total Limit Of Insurance, including the Limits Of Insurance shown below. Any applicable deductible will be shown in the Declarations with the coverage. If no deductible is shown in the Declarations with the coverage, then the Property Deductible will apply. Extra Expense Coverage is not subject to any deductible.

Extra expense is subject to the:

- Business Income With Extra Expense contract and Business Income With Extra Expense And Research And Development Income contract if purchased; or
- Extra Expense contract, if the Business Income With Extra Expense contract or Business Income With Extra Expense And Research And Development Income contract is not purchased.

CHUBB®**Property Insurance****Supplementary Declarations - Property**

Effective Date JULY 1, 2019

Policy Number 3594-16-31 PHL

Property Coverages**Limit Of Insurance****ANY OTHER LOCATION**

ACCOUNTS RECEIVABLE	\$ 75,000
BUILDING COMPONENTS	\$ 75,000
ELECTRONIC DATA PROCESSING PROPERTY	\$ 75,000
FINE ARTS	\$ 75,000
PERSONAL PROPERTY	\$ 75,000
RESEARCH AND DEVELOPMENT PROPERTY	\$ 75,000
VALUABLE PAPERS	\$ 75,000

DEBRIS REMOVAL

PREMISES SHOWN IN THE DECLARATIONS	\$ 500,000
ANY OTHER LOCATION	\$ 50,000
IN TRANSIT	\$ 50,000

DEFERRED PAYMENTS

\$ 50,000

EXHIBITION, FAIR OR TRADE SHOW

ELECTRONIC DATA PROCESSING PROPERTY	\$ 75,000
FINE ARTS	\$ 75,000
PERSONAL PROPERTY	\$ 75,000

EXTRA EXPENSE

\$ 250,000

FUNGUS CLEAN-UP OR REMOVAL

\$ 50,000

INSTALLATION

ANY JOB SITE	\$ 50,000
IN TRANSIT	\$ 50,000

IN TRANSIT

ACCOUNTS RECEIVABLE	\$ 50,000
BUILDING COMPONENTS	\$ 50,000
ELECTRONIC DATA PROCESSING PROPERTY	\$ 50,000
FINE ARTS	\$ 50,000
PERSONAL PROPERTY	\$ 50,000
VALUABLE PAPERS	\$ 50,000

Property Coverages	Limit Of Insurance
---------------------------	---------------------------

LOSS OF MASTER KEY	\$ 25,000
LOSS PREVENTION EXPENSES	\$ 25,000
MOBILE COMMUNICATION PROPERTY (GREATER THAN 1,000 FEET FROM A PREMISES SHOWN IN THE DECLARATIONS)	\$ 25,000
MONEY & SECURITIES	
ON PREMISES	\$ 25,000
OFF PREMISES	\$ 25,000
POLLUTANT CLEAN - UP OR REMOVAL	\$ 50,000
PROCESSING WATER	\$ 25,000
PREPARATION OF LOSS FEES	\$ 25,000

The following displays the Coverages and the applicable Limits Of Insurance for:

Newly Acquired Premises Or Newly Acquired Or Constructed Property	Limit Of Insurance
--	---------------------------

BUILDING	\$5,000,000
PERSONAL PROPERTY	\$2,500,000
PERSONAL PROPERTY AT EXISTING PREMISES	\$ 100,000
ELECTRONIC DATA PROCESSING EQUIPMENT	\$2,500,000
ELECTRONIC DATA	\$ 250,000
COMMUNICATION PROPERTY	\$ 250,000
FINE ARTS	\$ 50,000

CHUBB®

Property Insurance

Supplementary Declarations - Property

Effective Date JULY 1, 2019

Policy Number 3594-16-31 PHL

You may purchase increased Limits Of Insurance for any of the Newly Acquired Premises or Newly Acquired or Constructed Property Limits Of Insurance shown above and we will charge you an additional premium. If you purchase such increased Limits Of Insurance, the Limits Of Insurance shown in the Declarations will reflect your total limit, including the Limits Of Insurance shown above.

Well,

Authorized Representative

Chubb. Insured.SM

CHUBB®**Property Insurance****Supplementary Declarations — Business Income**

Chubb Group of Insurance Companies
202B Hall's Mill Road
Whitehouse Station, NJ 08889

Named Insured and Mailing Address

FC PENNSYLVANIA STADIUM, LLC T/A TALEN
 ENERGY STADIUM
 2501 SEAPORT DRIVE, BH100
 CHESTER, PA 19013

Policy Number 3594-16-31 PHL

Effective Date JULY 1, 2019

Issued by the stock insurance company indicated below, herein called the company.

FEDERAL INSURANCE COMPANY

Producer No. 0051389-99999

Incorporated under the laws of
INDIANA

Producer JOHNSON, KENDALL & JOHNSON, INC.
 109 PHEASANT RUN
 NEWTOWN, PA 18940-0000

Policy Period

From: JULY 1, 2019 **To:** JULY 1, 2020
 12:01 A.M. standard time at the Named Insured's mailing address shown above.

Additional Business Income Coverages

The Limits Of Insurance shown below are provided for the Premises Coverages and Additional Coverages shown at no additional cost to you. You may purchase increased Limits Of Insurance, and we will charge you an additional premium. If you purchase increased Limits Of Insurance for any of these coverages, the Limits Of Insurance shown in the Declarations will reflect your total Limit Of Insurance, including the Limits Of Insurance shown below.

Except for Dependent Business Premises, Any Other Location, Exhibition, Fair or Trade Show and Preparation Of Loss Fees, the Limits Of Insurance shown below apply at each premises for which you have purchased a Limit Of Insurance for Business Income as shown in the Declarations.

The Limit Of Insurance for Dependent Business Premises applies:

- at each of your premises for which you have purchased a Limit Of Insurance for Business Income as shown in the Declarations;
- separately to each **occurrence**, regardless of the number of **dependent business premises** that sustain covered direct physical loss or damage; and
- only if such direct physical loss or damage causes a business income loss (or extra expense loss if Business Income With Extra Expense is purchased) at your premises for which you have purchased a Limit Of Insurance for Business Income as shown in the Declarations,

provided that actual loss for such premises is the direct result of direct physical loss or damage, by a **covered peril**, to the **dependent business premises**.

If you increase the \$250,000 Limit Of Insurance for Dependent Business Premises as provided for in this Supplementary Declarations, such increased Limit Of Insurance:

- will be shown in the Declarations and will reflect your total Dependent Business Premises Limit Of Insurance at the applicable **dependent business premises** shown in the Declarations; and
- is the most we will pay in any one **occurrence** at all premises for which a Limit Of Insurance for Business Income is shown in the Declarations.

The Limit Of Insurance for Any Other Location or Exhibition, Fair or Trade Show applies within the Coverage Territory of this policy.

The Limit Of Insurance for Preparation Of Loss Fees applies at each premises shown in the Declarations or anywhere within the Coverage Territory.

Business Income Coverages

Limit Of Insurance

ANY OTHER LOCATION	\$ 50,000
CONTRACTUAL PENALTIES	\$ 25,000
DEPENDENT BUSINESS PREMISES	\$ 250,000
EXHIBITION, FAIR OR TRADE SHOW	\$ 25,000
PREPARATION OF LOSS FEES	\$ 25,000
INGRESS & EGRESS	\$ 50,000
LOSS OF UTILITIES	\$ 25,000
POLLUTANT CLEAN-UP OR REMOVAL	\$ 25,000

The following displays the coverage and the applicable Limit Of Insurance provided for each newly acquired premises:

Newly Acquired Premises

Limit Of Insurance

BUSINESS INCOME	\$ 250,000
-----------------	------------

Authorized Representative



Chubb. Insured.™

Property Insurance**Building And Personal Property****Table Of Contents**

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CHUBB®**Building And Personal Property****Contract**

Words and phrases that appear in **bold print** have special meanings and are defined in the Property/Business Income Conditions And Definitions form included in this policy.

Throughout this contract, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Premises Coverages

The following Premises Coverages apply only at those premises for which a Limit Of Insurance applicable to such coverages is shown in the Declarations.

Except as otherwise provided, the loss or damage must:

- be caused by or result from a peril not otherwise excluded; and
- occur at, or within 1,000 feet of, the premises shown in the Declarations.

Building Or Personal Property

We will pay for direct physical loss or damage to:

- **building**; or
- **personal property**,

caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Building Or Personal Property shown in the Declarations.

Accounts Receivable

We will pay for the **accounts receivable** loss you incur caused by or resulting from direct physical loss or damage to your **accounts receivable records** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Accounts Receivable shown in the Declarations.

Burglary Damage To Building

We will pay for direct physical loss or damage to a **building**:

- you do not own;
- you occupy; and
- for which you are contractually liable,

caused by or resulting from burglary or any attempt at burglary, not to exceed the Limit Of Insurance for Personal Property shown in the Declarations for the premises where the loss or damage occurred.

This Premises Coverage does not apply:

- to ensuing loss or damage caused by or resulting from a peril not otherwise excluded; or
- if a Limit Of Insurance for Building applicable to the premises, where the loss or damage occurred, is shown in the Declarations.

Electronic Data Processing Property

We will pay for direct physical loss or damage to **electronic data processing property** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Electronic Data Processing Property shown in the Declarations.

Premises Coverages

(continued)

Fine Arts

We will pay for direct physical loss or damage to **fine arts** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Fine Arts shown in the Declarations.

Fungus Clean-up Or Removal

We will pay the costs you incur to clean up, remove, restore or replace covered property because of the presence of **fungus** at the premises shown in the Declarations.

The most we will pay at the premises for the sum of all such covered costs that occur during each separate 12 month policy period, regardless of whether this Premises Coverage appears in any other contract or contracts that form part of this policy is the applicable Limit Of Insurance for Fungus Clean-up Or Removal shown in the Declarations.

We will not pay for the costs to test for, monitor, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of **fungus**, other than payment for testing that is performed during the clean-up or removal of **fungus**.

This Premises Coverage does not apply if the presence of **fungus**:

- A. is caused by or results from:
 - 1. a peril that is excluded under this insurance; or
 - 2. moisture, other than **water** or **flood**, if the **flood** would be covered under this insurance;
- B. existed prior to the effective date shown in the Declarations;
- C. is not reported to us in writing as soon as possible after you first become aware, or in the exercise of reasonable care, should have become aware, of the presence of **fungus**; or
- D. is at premises that has been specifically excluded in the Declarations or by endorsement to this policy.

Leasehold Interest – Bonus Payment, Prepaid Rent, Sublease Profit, Tenants' Lease Interest

We will pay for the:

- **bonus payment;**
- **prepaid rent;**
- **sublease profit; or**
- **tenants' lease interest,**

loss you incur directly resulting from the cancellation of your written lease for the premises shown in the Declarations, not to exceed the applicable Limit Of Insurance for:

- Bonus Payment;
- Prepaid Rent;
- Sublease Profit; or
- Tenants' Lease Interest,

shown under Leasehold Interest in the Declarations.

Cancellation of the lease must be:

- by the lessor;
- by a valid condition of your lease; and



Building And Personal Property

Premises Coverages

***Leasehold Interest –
Bonus Payment, Prepaid
Rent, Sublease Profit,
Tenants' Lease Interest
(continued)***

- due to direct physical loss or damage to a **building** caused by or resulting from a peril not otherwise excluded at the premises shown in the Declarations.

***Leasehold Interest –
Undamaged Tenant's
Improvements And
Betterments***

We will pay for the value of undamaged **tenant's improvements and betterments** when your lease is canceled:

- by the lessor; and
- by a valid condition of your lease,

due to direct physical loss or damage to **building or personal property** caused by or resulting from a peril not otherwise excluded at the premises shown in the Declarations, not to exceed the applicable Limit Of Insurance for Leasehold Interest – Undamaged Tenant's Improvements And Betterments shown in the Declarations.

Loss Of Master Key

We will pay for the reasonable and necessary costs you incur to:

- replace keys or key cards;
- adjust locks to accept new keys, key cards or other entry mechanisms; or
- if required, install new locks or other entry mechanisms,

due to direct physical loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Loss Of Master Key shown in the Declarations.

***Loss Prevention
Expenses***

We will pay the reasonable and necessary costs you incur to protect:

- **building;**
- **personal property; or**
- **research and development property,**

at the premises shown in the Declarations from imminent direct physical loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Loss Prevention Expenses shown in the Declarations.

To the extent possible, you must notify us of your intent to incur such cost before you take any loss prevention action.

In any event, you must notify us within 48 hours after you have taken any loss prevention action.

***Money And Securities –
On Premises***

We will pay for direct physical loss or damage to **money or securities** caused by or resulting from a peril not otherwise excluded **on premises**, not to exceed the applicable Limit Of Insurance for Money And Securities On Premises shown in the Declarations.

Premises Coverages

(continued)

Non-Owned Detached Trailers

We will pay for direct physical loss or damage to **non-owned detached trailers** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Non-Owned Detached Trailers shown in the Declarations.

Outdoor Trees, Shrubs, Plants Or Lawns

We will pay for direct physical loss or damage to **outdoor trees, shrubs, plants or lawns** at premises you own, rent or occupy, shown in the Declarations, caused by or resulting from a **specified peril**, other than windstorm or hail, not to exceed the applicable Limit Of Insurance for Outdoor Trees, Shrubs, Plants Or Lawns shown in the Declarations.

Pair And Set

We will pay for consequential loss to undamaged **personal property** that is part of:

- your product; or
- any product in your care, custody or control,

which has become unmarketable as a complete product, because of covered direct physical loss or damage to **personal property** which is part of the same product, not to exceed the applicable Limit Of Insurance for Pair And Set shown in the Declarations.

This Premises Coverage applies only when you have purchased a Limit Of Insurance for Personal Property.

Personal Property Of Employees

We will pay for direct physical loss or damage to **personal property of employees** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Personal Property Of Employees shown in the Declarations.

We will also pay for direct physical loss or damage to **personal property of employees** caused by or resulting from a peril not otherwise excluded while such **personal property of employees** is away from your premises for the purpose of performing duties relating to the conduct of your business, not to exceed \$2,500 for any one employee or \$10,000 in the aggregate for any **occurrence**, regardless of the number of employees.

Processing Water

We will pay the cost you incur to replace water that is used in your processing operations and contained in any:

- above-ground tank;
- processing equipment; or
- any associated above-ground piping,

when such water has been released or rendered unusable for its intended purpose as a direct result of direct physical loss or damaged to such tank, equipment or piping caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Processing Water shown in the Declarations.

The loss or damage must occur at the premises show in the Declarations.

This Premises Coverage does not apply to fire protection equipment.

Public Safety Service Charges

We will pay the charges you:

- assume under any contract or agreement; or



Building And Personal Property

Premises Coverages

Public Safety Service Charges (continued)

- are required to pay by local ordinance, in effect at the time of the direct physical loss or damage, if a fire department or other municipal agency charged with preserving public safety is called to save or protect covered property from direct physical loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Public Safety Service Charges shown in the Declarations.

Removal

We will pay for direct physical loss or damage to covered property (other than a structure) while:

- being moved to another location or returned from such location to its original location; or
- temporarily stored at another location,

if you must move such covered property from such location to preserve it from imminent loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance shown in the Declarations.

Research And Development Property

We will pay for:

- direct physical loss or damage to **research and development property** caused by or resulting from a peril not otherwise excluded; and
- the necessary and reasonable additional cost you incur to repair or replace **research and development property** that has been lost or damaged by a peril not otherwise excluded,

not to exceed the applicable Limit Of Insurance for Research And Development Property shown in the Declarations.

These additional costs must be in excess of the cost you would otherwise incur to repair or replace lost or damaged **research and development property** in order to meet your last scheduled introduction date (prior to loss or damage) for any new product which is based on such **research and development property**.

Valuable Papers

We will pay for direct physical loss or damage to **valuable papers** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Valuable Papers shown in the Declarations.

Additional Coverages

The following Additional Coverages apply within the coverage territory.

Any Other Location

We will pay for:

- direct physical loss or damage to covered property (other than a structure); or
- **accounts receivable** loss you incur caused by or resulting from direct physical loss or damage to your **accounts receivable records**,

at unspecified premises caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for such covered property or **accounts receivable** shown under Any Other Location in the Declarations.

Additional Coverages

Any Other Location (continued)

This Additional Coverage does not apply to:

- property while at any exhibition, fair or trade show;
- property at newly acquired premises;
- property while **in transit**; or
- property at a job site or temporarily warehoused elsewhere awaiting installation at the job site.

This Additional Coverage applies only if a Limit Of Insurance applicable to such covered property or **accounts receivable** is shown under Any Other Location in the Declarations.

Arson Or Theft Reward

We will pay a reward of 25% of the covered loss or damage, up to a maximum of \$25,000, for information leading to a felony conviction arising out of direct physical loss or damage to covered property caused by or resulting from arson, larceny, burglary or vandalism.

Deferred Payments

We will pay for your interest in **personal property** that suffers direct physical loss or damage caused by or resulting from a peril not otherwise excluded and sold by you under a conditional sale or trust agreement or any installment or deferred payment plan:

- while **in transit** to buyers; or
- after delivery to buyers,

not to exceed the applicable Limit Of Insurance for Deferred Payments shown in the Declarations.

This Additional Coverage does not apply to default by the buyer of such agreement or plan.

This Additional Coverage applies only if a Limit Of Insurance for Deferred Payments is shown in the Declarations.

Exhibition, Fair Or Trade Show

We will pay for direct physical loss or damage to **personal property, electronic data processing property** (other than **mobile communication property**) or **fine arts** caused by or resulting from a peril not otherwise excluded while:

- **in transit** to or from any exhibition, fair or trade show; or
- at any exhibition, fair or trade show,

not to exceed the applicable Limit Of Insurance for such property shown under Exhibition, Fair Or Trade Show in the Declarations.

This Additional Coverage applies only if a Limit Of Insurance for such property is shown under Exhibition, Fair Or Trade Show in the Declarations.

Fire Protection Equipment

We will pay the cost you incur to refill your discharged fire protection equipment whether or not there is direct physical loss or damage to property.

This Additional Coverage is provided regardless of whether a Limit Of Insurance is shown in the Declarations.

CHUBB®**Building And Personal Property****Additional Coverages***(continued)***In Transit**

We will pay for direct physical loss or damage to:

- A. covered property (other than a structure) while **in transit**;
- B. **personal property** being shipped FOB or on other similar terms after the title of a shipment passes to the consignee; or
- C. **personal property** which has been refused by the consignee, from the time such property has been refused until:
 - 1. the time such property is returned to your premises; or
 - 2. 14 consecutive days after such property has been refused,
 whichever occurs first,

caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for such property shown under In Transit in the Declarations.

We will also pay for **accounts receivable** loss you incur caused by or resulting from covered direct physical loss or damage to your **accounts receivable records** while **in transit**, not to exceed the applicable Limit Of Insurance for Accounts Receivable shown under In Transit in the Declarations.

We will not attempt to collect from the consignee, unless you:

- provide us with your written consent to do so; or
- assign us your right of action.

We will also pay for:

- A. the necessary additional expenses you incur to inspect, repack and reship **personal property** damaged by a peril not otherwise excluded;
- B. general average and salvage charges that may be assessed against your covered **personal property** shipments that are waterborne; and
- C. loss or damage to **personal property** during loading and unloading of that property from a transporting conveyance, by a peril not otherwise excluded,

not to exceed the applicable Limit Of Insurance for Personal Property shown under In Transit in the Declarations.

This Additional Coverage does not apply:

- to any property while **in transit** to or from any exhibition, fair or trade show;
- to any property while **in transit** to or from any job site;
- when you are acting as a carrier for hire;
- if you have purchased separate ocean marine insurance that covers any property **in transit**; or
- to shipments by mail, unless registered.

Installation

We will pay for direct physical loss or damage to **personal property** caused by or resulting from a peril not otherwise excluded while such **personal property** is:

- A. at a job site or temporarily warehoused elsewhere:
 - 1. awaiting and during installation;
 - 2. awaiting and during tests; or

Additional Coverages**Installation
(continued)**

3. awaiting acceptance by the buyer,

not to exceed the applicable Limit Of Insurance for Any Job Site shown under Installation in the Declarations; or

B. **in transit** to or from such job site or temporary warehouse, not to exceed the applicable Limit Of Insurance for In Transit shown under Installation in the Declarations.

We will not pay for any loss or damage to:

- **personal property** not a part of or destined to become part of the installation;
- tools; or
- **contractors' equipment**.

This Additional Coverage ends when the first of the following occurs:

- your interest in the **personal property** ceases;
- the buyer accepts the **personal property**;
- the **personal property** is put to use for its intended purpose; or
- this policy is terminated.

This Additional Coverage applies only if a Limit Of Insurance for Any Job Site or In Transit is shown under Installation in the Declarations.

**Mobile Communication
Property**

We will pay for direct physical loss or damage to **mobile communication property** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Mobile Communication Property shown in the Declarations.

This Additional Coverage does not apply to **mobile communication property** at, or within 1,000 feet of, the premises shown in the Declarations.

**Money And Securities –
Off Premises**

We will pay for direct physical loss or damage to **money** or **securities** caused by or resulting from a peril not otherwise excluded **off premises**, not to exceed the applicable Limit Of Insurance for Money And Securities Off Premises shown in the Declarations.

Newly Acquired Property

We will pay for direct physical loss or damage to:

- **building** under construction at existing or newly acquired premises;
- **building** or other covered property at newly acquired premises; or
- newly acquired covered property (other than a structure) at existing premises shown in the Declarations,

caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for such covered property shown in the Declarations under Newly Acquired Premises or Newly Acquired Or Constructed Property.

This Additional Coverage applies until the first of the following occurs:

- you report the value of the **building** or other covered property at the newly acquired premises to us and we add such **building** or other covered property to this policy;
- you report the value of the newly acquired covered property at the existing premises shown in the Declarations, and we add such covered property to this policy;

CHUBB®**Building And Personal Property****Additional Coverages****Newly Acquired Property
(continued)**

- 180 days pass from the date you acquire the premises, covered property (other than a structure), or construction begins on the **building**; or
- this policy expires.

We will charge you additional premium for the reported values from the date you acquire such premises or covered property, or construction begins on the **building**, if we add such premises, covered property or **building** to this policy.

Covered property being moved from a vacated premises to a new premises is not considered newly acquired covered property.

**Pollutant Clean-up Or
Removal**

We will pay the costs you incur to clean up or remove **pollutants** from land, water or air:

- A. at the premises shown in the Declarations and either inside or outside of a **building**; or
- B. if the **pollutants** were part of:
 1. **personal property**;
 2. **research and development property**; or
 3. **building components**,
 while **in transit**,

if the presence of such **pollutants** on or in such land, water or air is caused by or results from a peril not otherwise excluded.

The costs will be paid only if they are reported to us in writing within 180 days of the date the peril occurred which caused or resulted in the presence of the **pollutants**.

The most we will pay:

- at a premises shown in the Declarations; and
- for any property **in transit**,

for all such covered costs that occur during each separate 12 month policy period, regardless of whether this Additional Coverage appears in any other contract or contracts that form part of this policy, is the applicable Limit Of Insurance for Pollutant Clean-up Or Removal shown in the Declarations.

We will not pay for the costs to test for, monitor, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of **pollutants**, other than payment for testing that is performed during the clean up or removal of the **pollutants** from the land, water or air, either inside or outside of a **building**.

This Additional Coverage does not apply if the presence of **pollutants**:

- is caused by or results from a peril that is excluded under this insurance; or
- occurred prior to the effective date shown in the Declarations.

Additional Coverages

(continued)

Preparation Of Loss Fees

We will pay the reasonable and necessary expenses we require you to incur after covered direct physical loss or damage to covered property to determine the extent of such loss or damage, not to exceed the applicable Limit Of Insurance for Preparation Of Loss Fees shown in the Declarations.

This Additional Coverage does not apply to any expenses you incur for any:

- insurance adjuster, consultant, or attorney; or
- of your subsidiaries or affiliates.

Debris Removal Coverage

The following Debris Removal Coverage applies.

Debris Removal

A. We will pay for the costs you incur to:

1. demolish and remove debris of damaged covered property (other than **outdoor trees, shrubs, plants or lawns**) caused by or resulting from a peril not otherwise excluded that occurs during the policy period; or
2. remove debris of damaged **outdoor trees, shrubs, plants or lawns** at the premises shown in the Declarations, caused by or resulting from a **specified peril**, other than windstorm or hail, that occurs during the policy period.

B. The most we will pay for debris removal is the lesser of:

1. 25% of the covered direct physical loss or damage; or
2. the remaining applicable Limit Of Insurance for such covered property shown in the Declarations, after payment of the covered direct physical loss or damage.

C. If the amount in B. above is insufficient to pay the debris removal, we will pay the remaining debris removal, subject to the applicable Limit Of Insurance shown under Debris Removal in the Declarations.

We will also pay up to \$10,000 for the costs you incur at each premises to remove debris that is blown onto your premises by wind, if the wind would be covered by this insurance.

D. Debris removal will be paid only if:

1. reported to us in writing within 180 days of the date of the covered direct physical loss or damage; and
2. a Limit Of Insurance applicable to the damaged covered property is shown in the Declarations.

E. Debris removal does not apply to costs to:

1.
 - a. clean up or remove **pollutants** from land, water or air;
 - b. clean up, remove, restore or replace covered property because of the presence of **fungus**; or
 - c. clean up, remove, restore or replace polluted land, water or air, either inside or outside of a **building**; or
2. demolish and clear the site of the undamaged portion of the **building**.

CHUBB®***Building And Personal Property******Exclusions***

The following Exclusions apply.

Acts Or Decisions

This insurance does not apply to loss or damage caused by or resulting from acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

This Acts Or Decisions exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Audit

This insurance does not apply to **accounts receivable** loss disclosed by an audit or inventory count. In the event the loss or damage is established by independent means, you may use an audit or inventory count to support your claim for that loss.

Bookkeeping

This insurance does not apply to **accounts receivable** loss caused by or resulting from bookkeeping, accounting or billing errors or omissions.

Business Errors

This insurance does not apply to loss or damage (including the costs of correcting or making good) caused by or resulting from errors in the:

- altering;
- calibrating;
- constructing;
- developing;
- distributing;
- installing;
- manufacturing;
- maintaining;
- processing;
- repairing;
- researching; or
- testing,

of part or all of any property.

This Business Errors exclusion does not apply to:

- **accounts receivable records, fine arts, money, securities or valuable papers;**
- loss or damage that results to other covered property; or
- ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Disappearance

This insurance does not apply to loss or damage caused by or resulting from:

- disappearance; or
- shortage disclosed on taking inventory,

where there is no physical evidence to show what happened.

Exclusions

Disappearance (continued)

This Disappearance exclusion does not apply to:

- **accounts receivable records, electronic data processing property, fine arts, money, securities, personal property while in transit, research and development property or valuable papers; or**
- ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Dishonesty

This insurance does not apply to loss or damage caused by or resulting from fraudulent, dishonest or criminal acts or omission committed alone or in collusion with others by you, your partners, members, officers, managers, directors, trustees, employees, anyone performing acts coming within the scope of the usual duties of your employees, or by anyone authorized to act for you, or anyone to whom you have entrusted covered property for any purpose.

This Dishonesty exclusion does not apply to:

- A. acts of vandalism;
- B. acts committed by carriers or warehousemen for hire or anyone claiming to be a carrier or warehousemen for hire, other than:
 1. you, your partners, directors, trustees and employees;
 2. anyone performing acts coming within the scope of the usual duties of your employees; or
 3. anyone authorized to act for you; or
- C. ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Earthquake

This insurance does not apply to loss or damage caused by or resulting from earthquake, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Earthquake exclusion does not apply to:

- **accounts receivable records, fine arts, money, securities, personal property while in transit, research and development property or valuable papers;**
- **electronic data processing property, except for earthquake in the state of California; or**
- ensuing loss or damage caused by or resulting from a **specified peril**.

Errors In Systems Programming

This insurance does not apply to loss or damage (including the costs of correcting or making good) caused by or resulting from:

- A. errors or omissions in the development of, programming of, or instructions to:
 1. **electronic data processing property; or**
 2. a machine; or
- B. **electronic data** which is faulty, inadequate or defective for the use intended at the time of loss or damage.

CHUBB®**Building And Personal Property****Exclusions****Errors In Systems
Programming
(continued)**

This Errors In Systems Programming exclusion does not apply to:

- **accounts receivable records, electronic data processing property, fine arts, money, securities, personal property while in transit, research and development property or valuable papers; or**
- **ensuing loss or damage caused by or resulting from a specified peril.**

**Fire To Property Of
Others**

This insurance does not apply to loss or damage to **money** or **securities** of others that you hold as a pledge or as collateral, caused by or resulting from fire.

Flood

This insurance does not apply to loss or damage caused by or resulting from:

- waves, tidal water or tidal waves; or
- rising, overflowing or breaking of any boundary,

of any natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans or any other body of water or watercourse, whether driven by wind or not, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Flood exclusion does not apply to:

- **accounts receivable records, electronic data processing property, fine arts, money, securities, personal property while in transit, research and development property or valuable papers; or**
- **ensuing loss or damage caused by or resulting from a specified peril.**

Forgery

This insurance does not apply to loss or damage to **money** or **securities** caused by or resulting from forgery.

Fungus

This insurance does not apply to loss or damage:

- which is **fungus**;
- which is in anyway attributed to the presence of **fungus**; or
- caused by or resulting from **fungus**,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

Exclusions

Fungus (continued)

This Fungus exclusion does not apply:

- A. when the presence of **fungus** results from:
 - 1. explosion;
 - 2. fire;
 - 3. leakage from fire protection equipment; or
 - 4. lightning; or
- B. to the extent insurance is provided under the Fungus Clean-up Or Removal Premises Coverage; or
- C. to **accounts receivable records, electronic data processing property, fine arts, money, securities, personal property while in transit, research and development property or valuable papers.**

Governmental Or Military Action

This insurance does not apply to loss or damage caused by or resulting from seizure, confiscation, expropriation, nationalization or destruction of property by order of governmental or military authority, whether de jure or de facto, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Governmental Or Military Action exclusion does not apply to loss or damage caused by or resulting from acts of destruction ordered by governmental or military authority:

- A. when taken at the time of a fire to prevent its spread, if the fire would be covered under this insurance; or
- B. if the act of destruction is made necessary by direct physical loss or damage to:
 - 1. covered property while **in transit**; or
 - 2. a conveyance in or on which covered property while **in transit** is loaded, caused by or resulting from a peril not otherwise excluded.

Inherent Vice/Latent Defect

This insurance does not apply to loss or damage caused by or resulting from inherent vice or latent defect.

This Inherent Vice/Latent Defect exclusion does not apply to:

- **accounts receivable records, electronic data processing property, fine arts, money, securities or valuable papers;**
- loss or damage caused by or resulting from a **specified peril**; or
- ensuing loss or damage caused by or resulting from a **specified peril or water.**

Insects Or Animals

This insurance does not apply to loss or damage caused by or resulting from nesting or infestation by, or discharge or release of waste products or secretions of any insect, bird, rodent or other animal.



Building And Personal Property

Exclusions

Insects Or Animals (continued)

This Insects Or Animals exclusion does not apply to:

- **accounts receivable records, electronic data processing property, money, securities or valuable papers; or**
- **ensuing loss or damage caused by or resulting from a peril not otherwise excluded.**

Mechanical Breakdown (Other Than Abrupt And Accidental)

This insurance does not apply to loss or damage caused by or resulting from mechanical breakdown.

This Mechanical Breakdown (Other Than Abrupt And Accidental) exclusion does not apply to:

- A. **abrupt and accidental breakdown of mechanical or electrical system or apparatus** which causes direct physical loss or damage to all or part of that **mechanical or electrical system or apparatus** provided the direct physical loss or damage becomes manifest at the time of the breakdown that caused it.

Abrupt and accidental breakdown of **mechanical or electrical system or apparatus** does not include:

1. **rust, oxidation or corrosion;**
 2. **faulty, inadequate or defective design, plan, specifications or installation;**
 3. **failure of mechanical or electrical system or apparatus to perform in accordance with plans or specifications; or**
 4. **freezing caused by or resulting from weather conditions;**
- B. **ensuing loss or damage caused by or resulting from a peril not otherwise excluded; or**
- C. **accounts receivable records, electronic data processing property, fine arts, money, securities or valuable papers.**

Nuclear Hazard

This insurance does not apply to loss or damage caused by or resulting from nuclear reaction or radiation, or radioactive contamination, regardless of any other cause or event that directly or indirectly:

- **contributes concurrently to; or**
- **contributes in any sequence to,**

the loss or damage, even if such other cause or event would otherwise be covered.

This Nuclear Hazard exclusion does not apply to ensuing loss or damage to:

- **building;**
- **personal property;**
- **personal property of employees; or**
- **research and development property,**

caused by or resulting from fire, if the fire would be covered under this insurance and there is a law in effect in the jurisdiction where the loss or damage occurs that expressly prohibits us from excluding such ensuing loss or damage.

Exclusions

(continued)

Planning, Design, Materials Or Maintenance

This insurance does not apply to loss or damage (including the costs of correcting or making good) caused by or resulting from any faulty, inadequate or defective:

- planning, zoning, development, surveying, siting;
- design, specifications, plans, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- materials used in repair, construction, renovation or remodeling; or
- maintenance,

of part or all of any property on or off the premises shown in the Declarations.

This Planning, Design, Materials Or Maintenance exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Pollutants

This insurance does not apply to loss or damage caused by or resulting from the mixture of or contact between property and a **pollutant** when such mixture or contact causes the property to be impure and harmful to:

- itself or other property;
- persons, animals or plants;
- land, water or air; or
- any other part of an environment,

either inside or outside of a building or other structure, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Pollutants exclusion does not apply to:

- A. the mixture of or contact between property and **pollutants** if the mixture or contact is directly caused by or directly results from a **specified peril**;
- B. any solid, liquid or gas used to suppress fire;
- C. **water**; or
- D. **accounts receivable records, electronic data processing property, fine arts, money, securities, personal property while in transit, research and development property or valuable papers.**

Paragraphs B and C do not apply to loss or damage involving:

- viruses or pathogens; or
- ammonia.

Repair, Restoration Or Retouching

This insurance does not apply to loss or damage to **fine arts** caused by or resulting from repair, restoration or retouching.

CHUBB®**Building And Personal Property****Exclusions***(continued)***Settling**

This insurance does not apply to loss or damage caused by or resulting from settling, cracking, shrinking, bulging or expansion of land, paved or concrete surfaces, foundations, pools, **buildings** or other structures.

This Settling exclusion does not apply to:

- **accounts receivable records, electronic data processing property, fine arts, money, securities, personal property while in transit, research and development property or valuable papers; or**
- ensuing loss or damage caused by or resulting from a **specified peril**.

Utility Supply Failure

This insurance does not apply to loss or damage caused by or resulting from suspension or reduction of:

- water services;
- electrical or other power services;
- natural gas or other fuel services; or
- internet or other communication services,

regardless of any other cause or event that:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Utility Supply Failure exclusion does not apply:

- if the suspension or reduction of such services is the direct result of direct physical loss or damage caused by or resulting from a peril not otherwise excluded;
- to **accounts receivable records, fine arts, money, securities or valuable papers; or**
- to ensuing loss or damage caused by or resulting from a **specified peril**.

War And Military Action

This insurance does not apply to loss or damage caused by or resulting from:

- war, including undeclared or civil war;
- warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- insurrection, rebellion, revolution, usurped power or action taken by governmental or military authority, whether de jure or de facto, in hindering or defending against any of these,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or

Exclusions

War And Military Action (continued)

- contributes in any sequence to, the loss or damage, even if such other cause or event would otherwise be covered.

Wear And Tear

This insurance does not apply to loss or damage caused by or resulting from wear and tear or deterioration.

This Wear And Tear exclusion does not apply to:

- **money or securities**; or
- ensuing loss or damage caused by or resulting from a **specified peril or water**.

Limits Of Insurance

Except as provided under Fungus Clean-up Or Removal and Pollutant Clean-up Or Removal, the most we will pay in any **occurrence** is the amount of loss or damage, not to exceed the applicable Limit Of Insurance shown in the Declarations.

If any Premises Coverage or Additional Coverage appears in more than one contract which form a part of this policy, unless otherwise specified, the applicable Limit Of Insurance shown in the Declarations for such coverages is the most we will pay in any **occurrence**, regardless of the number of contracts in which such Premises Coverage or Additional Coverage appears.

Automatic Increase In Limits

The Limits Of Insurance for Building or Personal Property will automatically increase by the annual percentage shown in the Declarations under Automatic Increase In Limits. At the time of loss or damage, the amount of increase will be determined by multiplying the applicable Limit Of Insurance shown in the Declarations by the percentage of annual increase applied on a pro rata basis.

This Automatic Increase In Limits:

- applies only to a premises shown in the Declarations for which the Automatic Increase In Limits is shown; and
- does not apply to any Limit of Insurance applicable to:
 - more than one **building**;
 - personal property** in more than one **building**;
 - building** and **personal property** combined; or
 - building** or **personal property** combined with any other coverage.

Building Extended Limit Of Insurance

If an Extended Limit Of Insurance for Building is shown in the Declarations, the most we will pay in any **occurrence** is the amount of loss or damage, not to exceed 125% of the applicable Limit Of Insurance for Building shown in the Declarations.

The Extended Limit Of Insurance for Building:

- applies only to **building** at a premises shown in the Declarations for which the Extended Limit Of Insurance for Building is shown; and
- does not apply to any Limit Of Insurance applicable to more than one **building** or **building** and any other coverage combined.



Building And Personal Property

Deductible

Subject to the applicable Limit Of Insurance, we will pay the amount of loss or damage, after application of Coinsurance if applicable, in excess of the applicable deductible amount shown in the Declarations for each **occurrence**.

If two or more deductibles apply to the same **occurrence**, only the largest single deductible will apply, unless otherwise stated.

Loss Payment Basis

The following Loss Payment Basis provisions apply.

Subject to the applicable Limit Of Insurance shown in the Declarations:

- A. covered property is valued on a replacement cost basis as described below, unless:
 - 1. the Loss Payment Basis shown in the Declarations is Actual Cash Value; or
 - 2. otherwise stated under Loss Payment Basis Exceptions; and
- B. valuation also includes, for covered property, costs you incur as described below under Ordinance Or Law Or Green Standards, Construction Fees, Brands And Labels and Extended Warranties.

Our Loss Payment Options

In the event of loss or damage covered by this insurance, at our option, we will either:

- pay the covered value of the lost or damaged covered property;
- pay the cost of repairing or replacing the lost or damaged covered property plus any reduction in value of the repaired item;
- take all or any part of the covered property at an agreed or appraised value; or
- repair or replace the covered property with other such property of comparable material and quality for the same use or occupancy.

Replacement Cost Basis

Lost or damaged covered property will be valued at the cost to repair or replace such property at the time of loss or damage, but not more than you actually spend to repair or replace such property at the same or another location for the same use or occupancy. There is no deduction for physical deterioration or depreciation.

If you replace the lost or damaged covered property, the valuation includes customs duties incurred.

If you do not repair or replace the covered property, we will only pay as provided under Actual Cash Value Basis.

If you commence the repair or replacement of the lost or damaged covered property within 24 months from the date of the loss or damage, we will pay you the difference between the actual cash value previously paid and the lesser of the:

- replacement cost at the time of loss or damage; or
- actual costs you incur to repair or replace.

Payment under the Replacement Cost Basis will not be made until the completion of the repairs or the replacement of the covered property.

Loss Payment Basis

(continued)

Accounts Receivable

Accounts receivable loss payment will be determined as follows:

- A. When there is proof that a covered loss has occurred but you cannot accurately establish the amount of **accounts receivable** outstanding at the time of the loss, the amount of the loss will be based on your latest financial statements and will be computed as follows:
 1. determine the amount of all outstanding **accounts receivable** at the end of the same month in the year immediately preceding the year in which the loss occurred;
 2. determine your total gross sales of goods and services for the 12 month period immediately preceding the month in which the loss occurred;
 3. determine your total gross sales of goods and services for the 12 month period immediately preceding the same month in the year immediately preceding the year in which the loss occurred;
 4. calculate the percentage increase or decrease of step 2 over step 3;
 5. the total amount of **accounts receivable** as of the last day of the month in which the loss occurs will be the amount determined in step 4; and
 6. the established monthly amount of **accounts receivable** will be adjusted for the normal fluctuation in the amount of **accounts receivable** in the month in which the loss occurs.
- B. We will deduct from the established total amount of **accounts receivable**
 1. the amount of any accounts evidenced by records not lost or damaged;
 2. any other amounts you are able to establish or collect; and
 3. an amount to allow for probable bad debts, returns, discounts and allowances which you normally would have been unable to collect.
- C. If you recover the amount of any **accounts receivable** that were included in the amount of the paid loss, you will return the recovered amount to us, up to the total amount of the paid loss. You will keep the amount of any **accounts receivable** you recover in excess of the amount of the paid loss.
- D. You shall take reasonable measures to attempt the reproduction of **accounts receivable records** in an effort to mitigate your **accounts receivable** loss.

Actual Cash Value Basis

If the Loss Payment Basis shown in the Declarations is Actual Cash Value, lost or damaged covered property will be valued at the cost to repair or replace such property at the time of loss or damage with material of like kind and quality, less allowance for each of the following:

- physical deterioration;
- physical depreciation;
- obsolescence; and
- depletion.

Brands And Labels

Personal property valuation includes the cost of:

- replacing labels, capsules, wrappers or containers from lost or damaged **personal property**; and
- identifying and reconditioning lost or damaged **personal property**.

CHUBB®***Building And Personal Property******Loss Payment Basis******Brands And Labels
(continued)***

In the event of loss or damage to **stock**, you have two options when:

- you do not want to sell your lost or damaged **stock** under your brand or label; or
- the owner of any lost or damaged **stock** in your care, custody or control does not want to sell that lost or damaged **stock** under the owner's brand or label,

even though the lost or damaged **stock** has salvage value, you may:

- remove the brand or label and then relabel the lost or damaged **stock** to comply with the law; or
- label the lost or damaged **stock** as "salvage" but, in doing so, cause no further loss or damage to the **stock**.

In either case, the **personal property** valuation will include the difference between:

- the salvage value of the lost or damaged **stock** with the brand or label attached; and
- the salvage value of the lost or damaged **stock** with the brand or label removed.

Construction Fees

Covered property valuation includes necessary and incurred architectural, engineering, consulting, decorating and supervisory fees related to the construction and repair of the lost or damaged covered property.

Extended Warranties

Covered property (other than a structure) valuation includes the pro rata portion of the original cost based on the period of time remaining in your nonrefundable extended warranties, maintenance contracts or service contracts that you purchased and which are no longer valid on such lost or damaged covered property that you repair or replace.

Fine Arts

Fine arts are valued based on **market value**.

Historic Buildings

If lost or damaged **building** is generally recognized as having historic or aesthetic value and you repair or replace such **building**, the valuation will include the cost to repair or replace with the same materials, workmanship and architectural features provided they are reasonably available. In the event that such materials, workmanship or architectural features are not reasonably available, the valuation will include the cost to repair or replace with materials, workmanship and architectural features that most closely resemble those that existed before the loss or damage occurred.

Money

Money is valued based on:

- the face value of United States or Canadian currency if the loss involves United States or Canadian currency; or
- the United States dollar value of a foreign currency based on the free currency rate of exchange in effect on the day any loss involving foreign currency is discovered.

If the loss occurs before the **money** has been counted and recorded by you, the value of the **money** will not exceed the amount that is reasonably estimated and satisfactory to us.

Loss Payment Basis (continued)

Ordinance Or Law Or Green Standards

If:

- there is an ordinance or law in effect at the time of loss or damage that mandates **green standards** or otherwise regulates zoning, land use or construction of covered property, and if that ordinance or law affects the repair or replacement of the lost or damaged covered property; or
- **green standards**, to the extent lost or damaged covered property complied with such standards prior to loss or damage, affect the repair or replacement of such property,

and you:

- A. repair or replace the covered property as soon as reasonably possible, the valuation will include:
 1.
 - a. the replacement cost of the damaged and undamaged portions of the covered property, including necessary and incurred **green expenses**; or
 - b. the actual cash value of the damaged and undamaged portions of the covered property (if the applicable Loss Payment Basis shown in the Declarations is Actual Cash Value);
 2. the costs to demolish and clear the site of the undamaged portion of the covered property; and
 3. the increased cost to repair or replace the **building** to the same general size at the same site or other covered property for the same general use, to the minimum standards of such ordinance or law or **green standards**, except we will not include any costs:
 - a. for land, water or air, either inside or outside of a **building**;
 - b. for paved or concrete surfaces, retaining walls, foundations or supports below the surface of the lowest floor or basement, unless specifically covered by this policy, or **outdoor trees, shrubs, plants or lawns**;
 - c. incurred outside the legal property boundary of the premises shown in the Declarations;
 - d. if covered property is valued on an actual cash value basis; or
 - e. attributable to any ordinance or law that you were required to, but failed to, comply with before the loss; or
- B. do not repair or replace the covered property, the valuation will include:
 1. the actual cash value of the damaged and undamaged portions of the covered property; and
 2. the cost to demolish and clear the site of the undamaged portion of the covered property.

When direct physical loss or damage is caused by or results from both:

- a peril not otherwise excluded; and
- an excluded peril,

the valuation will not include the ordinance or law, or **green standards** costs attributable to the excluded peril. Instead, the valuation will be based on that portion of such costs equal to the proportion that the covered direct physical loss or damage bears to the total direct physical loss or damage, not including ordinance or law, or **green standards** costs, unless the ordinance or law, or **green standards** applies solely to that portion of the covered property which suffered the covered direct physical loss or damage.



Building And Personal Property

Loss Payment Basis

Ordinance Or Law Or Green Standards (continued)

This Loss Payment Basis does not apply to:

- any costs for undamaged **tenant's improvements and betterments** that are payable under the Leasehold Interest – Undamaged Tenant's Improvements and Betterments Premises Coverage;
- any increase in costs, loss or damage associated with the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **fungus** or **pollutants**;
- any increase in **green expenses** attributable to testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **fungus** or **pollutants**; or
- loss or damage caused by or resulting from fire which ensues from nuclear reaction or radiation, or radioactive contamination,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Ordinance Or Law Or Green Standards Loss Payment Basis does not apply to the Fungus Clean-up Or Removal Premises Coverage or Pollutant Clean-up Or Removal Additional Coverage.

If a maximum value for ordinance or law or **green standards** is shown in the Declarations, then, subject to the applicable Limits Of Insurance shown in the Declarations, such maximum value is the most we will consider under this Loss Payment Basis provision.

Pair Or Set – Fine Arts

In the event of loss or damage to **fine arts** that are part of a pair or set, at your option, we will either pay:

- the **market value** of the entire pair or set. You will return to us the remaining items;
- the cost to repair the lost or damaged items. You will keep the undamaged items. If the pair or set with the repaired items has a lower value than it had prior to the loss, we will also pay that difference. In no event will we pay more than the value that the pair or set had prior to the loss or damage; or
- the **market value** of the lost or damaged items prior to the loss or damage when the items cannot be found or repaired. You will keep the undamaged items. If the remaining items have a reduced value, we will pay the difference between the value of the remaining items prior to the loss or damage and after the loss or damage. In no event will we pay more than the value the pair or set had prior to the loss or damage.

Securities

Securities are valued based on the lesser of the following:

- the actual market value of the **securities** at the end of the last business day before the loss is discovered; or
- the actual cost of replacing the **securities** on the day loss payment is made.

Property of others that you hold as a pledge or as collateral for a loan is valued at:

- actual cash value at the time you made the loan; or

Loss Payment Basis**Securities
(continued)**

- the amount of the loan that remains unpaid at the time of loss, plus accrued interest on that amount at legal interest rates.

Valuable Papers

Valuable papers are valued at the cost to replace or reproduce such papers at the time of direct physical loss or damage when they are actually replaced or reproduced.

If:

- **valuable papers** are not replaced or reproduced; or
- the applicable Limit Of Insurance for Valuable Papers has been exhausted,

the value is based on the cost of blank materials and the cost of copying from a duplicate source on the same type of materials.

**Loss Payment Basis
Exceptions**

The following Loss Payment Basis Exceptions apply.

**Covered Property Not
Owned By You**

Covered property not owned by you is valued on the same basis as such property when owned by you, subject to all other exceptions described under Loss Payment Basis Exceptions, but we will not pay more than the amount for which you are contractually liable.

Labor, materials and services that you furnish or arrange on covered property not owned by you is valued based on the actual cost of the labor, materials and services.

Deferred Payments

When a total loss occurs, Deferred Payments are valued based on the amount shown on your books as due from the buyer.

When partial loss or damage occurs and the buyer refuses to continue payment, forcing you to repossess, Deferred Payments will be valued as follows:

If the realized value of the repossessed **personal property** is:

- greater than or equal to the amount shown on your books as due from the buyer, we will make no payment; or
- less than the amount shown on your books as due from the buyer, we will pay the difference, less any amount that was past due by more than 30 days.

Electronic Data

Electronic data is valued at the cost to repair or replace such data at the time of direct physical loss or damage when the **electronic data** is actually replaced or reproduced. If the **electronic data** is not replaced or reproduced, the value is based on the cost of replacing **blank media**.

**Finished Stock And Sold
Personal Property**

Finished stock and sold **personal property** completed and awaiting delivery are valued based on your selling price less the value of discounts and costs you would have incurred.

CHUBB®**Building And Personal Property****Loss Payment Basis
Exceptions**
(continued)**Gold, Gold Salts And
Other Precious Metals**

Gold, gold salts and other precious metals are valued based on the average market cost for replacement as published by the American Metals Market during the period of 10 business days immediately preceding the date of loss or damage, or the actual sum you pay for replacement, whichever is less.

Nuclear Hazard

Covered property which suffers direct physical loss or damage caused by or resulting from fire which ensues from nuclear reaction or radiation, or radioactive contamination, is valued on an actual cash value basis, subject to all other exceptions described under Loss Payment Basis Exceptions.

**Research And
Development Property**

If lost or damaged **research and development property**:

- cannot be repaired, replaced, or reproduced; or
- is not replaced or reproduced,

no payment will be made under this insurance.

Stock In Process

Stock in process is valued based on the cost of raw materials and costs expended as of the date of loss or damage.

**Undamaged Tenant's
Improvements And
Betterments**

Undamaged **tenant's improvements and betterments** are valued based on:

- the cost to replace undamaged **tenant's improvements and betterments** at the time of loss or damage at another site if you commence replacement within 24 months following the termination of your lease; or
- the **unamortized** portion of their original cost to you if you do not replace undamaged **tenant's improvements and betterments**.

**Loss Payment
Limitations**

The following Loss Payment Limitations apply.

Accounting

This insurance does not apply to loss or damage to **money** or **securities** caused by or resulting from accounting, mathematical or record-keeping errors.

Books And Records

This insurance does not apply to loss or damage to **money** or **securities** that are manuscripts, records, accounts, media, microfilm or tapes.

Electronic Data

We will not pay for any loss or damage to **electronic data** caused by or resulting from **malicious programming** regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or

**Loss Payment
Limitations**
**Electronic Data
(continued)**

- contributes in any sequence to,
The loss or damage, even if such other cause or event would otherwise be covered.

Expenses

- This insurance does not apply to any fees, costs or expenses you incur or pay:
- in establishing the existence or the amount of any loss or damage, except as provided under Preparation Of Loss Fees Additional Coverage; or
 - in prosecuting or defending any legal proceeding or claim, whether or not any such proceeding results or would result in a loss or damage covered under this insurance.

**Income, Interest Or
Dividends**

This insurance does not apply to loss of income, interest or dividends.

**Kidnap/Ransom Or
Extortion**

This insurance does not apply to loss or damage caused by or resulting from kidnap/ransom or other extortion payments surrendered to any person as a result of a threat to do:

- bodily harm to any person; or
- damage to the premises or other property owned by you or held by you in any capacity.

This Kidnap/Ransom Or Extortion Loss Payment Limitation does not apply to **robbery of money or securities**.

Loss Of Market

We will not pay for any loss or damage that results from loss of market, loss of use or delay.

**Payment Made By
Others (Money And
Securities)**

We will deduct from any payment we make for loss or damage to **money or securities** the amount you recover from:

- any contract you have with an armored vehicle company;
- insurance carried by an armored vehicle company; and
- insurance carried by others.

Prototypes

When production of a new product begins, coverage under this contract ceases for:

- the **prototype** of that product; and
- the research project directly associated with the new product.

**Suspension, Lapse Or
Cancellation Of Any
License**

Leasehold Interest insurance does not apply to loss caused by or resulting from the suspension, lapse or cancellation of any license.

CHUBB®

Building And Personal Property

***Loss Payment
Limitations***
(continued)

***Tenant's Improvements
And Betterments***

We will not pay for that part of any lost or damaged **tenant's improvements and betterments** which is paid by others.

***Conditions (Including
Coverage Territory)***

The conditions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy.

Definitions

The definitions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy.

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CHUBB®**Business Income With Extra Expense****Contract**

Words and phrases that appear in **bold** print have special meanings and are defined in the Property/Business Income Conditions And Definitions form included in this policy.

Throughout this contract, the words "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we," "us" and "our" refer to the company providing this insurance.

Premises Coverages

The following Premises Coverages apply only at those premises for which a Limit Of Insurance applicable to such coverages is shown in the Declarations.

Except as otherwise provided, direct physical loss or damage must:

- be caused by or result from a **covered peril**; and
- occur at, or within 1,000 feet of, the premises, other than a **dependent business premises**, shown in the Declarations.

Business Income And Extra Expense

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**,

during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Business Income With Extra Expense shown in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril to property**, unless otherwise stated.

This Premises Coverage applies only at those premises:

- where you incur a **business income** loss or **extra expense**; and
- for which a Limit Of Insurance for Business Income With Extra Expense is shown in the Declarations.

If a Limit Of Insurance for Business Income With Extra Expense is shown as applicable to a premises in the Declarations, such limit reflects your total Limit Of Insurance at that premises and the Limit Of Insurance for Extra Expense shown in the Supplementary Declarations – Property does not apply.

Alternative Power Generation

We will pay for the actual:

- A. **extra expense** you incur, if such coverage is provided:
 1. due to the actual or potential impairment of your **operations**; and
 2. during the **period of restoration**,
to purchase substitute power from a third party; and
- B. **business income** loss you incur, if such coverage is provided:
 1. due to the actual impairment of your **operations**; and
 2. during the **period of restoration**,

due to the loss of credits, reimbursements, rebates or other sums you receive from a third party that utilizes surplus power that you generate from **alternative power generating equipment**.

Premises Coverages

Alternative Power Generation (continued)

The actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to **alternative power generating equipment**.

This Premises Coverage applies until the **alternative power generating equipment** is repaired or replaced and fully operational in accordance with the manufacturer's specifications.

The most we will pay for Alternative Power Generation loss is the applicable Limit Of Insurance for Business Income With Extra Expense shown in the Declarations.

This Alternative Power Generation Premises Coverage does not apply at any premises that supplies your premises with utility services.

Alternative Water Systems

We will pay for the actual **extra expense** you incur:

- due to the actual or potential impairment of your **operations**; and
- during the **period of restoration**,
- to purchase substitute water from a third party.

The actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to an **alternative water system**.

This Premises Coverage applies until the **alternative water system** is repaired or replaced and fully operational in accordance with the manufacturer's specifications.

The most we will pay for Alternative Water Systems loss is the applicable Limit Of Insurance for Business Income With Extra Expense shown in the Declarations.

This Alternative Water Systems Premises Coverage does not apply at any premises that supplies your premises with utility services.

Contractual Penalties

We will pay for the contractual penalties you are legally liable to pay under the written provisions of a contract due to a material breach of that contract, not to exceed the applicable Limit Of Insurance for Contractual Penalties shown under Business Income in the Declarations.

This material breach of contract must be the direct result of direct physical loss or damage by a **covered peril** to **property**.

Fungus Clean-up Or Removal

We will pay for the actual:

- **business income** loss; and
- **extra expense**,

you incur due to the actual impairment of your **operations** during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Business Income With Extra Expense shown in the Declarations.

This actual impairment of **operations** must be caused by or result from the presence of **fungus** at your premises shown in the Declarations.

Coverage will begin immediately after the date the **fungus** first appeared and will end:

- 45 consecutive days after this coverage begins; or
- when your **business income** coverage ends,

whichever occurs first.

CHUBB®**Business Income With Extra Expense****Premises Coverages****Fungus Clean-up Or Removal**
(continued)

This Premises Coverage does not apply if the presence of **fungus**:

- A. is caused by or results from:
 - 1. a peril that is not a **covered peril**; or
 - 2. moisture, other than **water** or **flood**, if **flood** would be covered under this insurance;
- B. existed prior to the effective date shown in the Declarations;
- C. is not reported to us in writing as soon as possible after you first become aware, or in the exercise of reasonable care should have been aware, of the presence of **fungus**; or
- D. is at premises shown under Excluded Premises in the Declarations.

Ingress And Egress

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**,

when existing ingress to or egress from a premises shown in the Declarations is prevented due to direct physical loss or damage by a **covered peril** to property, provided such property is within:

- one mile; or
- the applicable miles shown in the Declarations,

from such premises, whichever is greater.

This Premises Coverage will begin at the time of direct physical loss or damage and will continue until the expiration of 30 consecutive days thereafter or whenever your **business income** coverage ends, whichever occurs first.

This Premises Coverage does not apply if the:

- direct physical loss or damage is caused by or results from earthquake or **flood**; or
- ingress to or egress from your premises is prohibited by civil authority.

The most we will pay for this Premises Coverage is the applicable Limit Of Insurance for Ingress And Egress shown under Business Income in the Declarations.

New Product Delay

We will pay for the actual **business income** loss you incur and discover after lost or damaged **property** directly related to your **research and development operations** is repaired or replaced and your **research and development operations** are restored, with reasonable speed to the condition that would have existed if no direct physical loss or damage occurred.

Such payment will be made:

- only if you discover the **business income** loss within 24 months after the date of the direct physical loss or damage;
- only after the new product or the enhanced product is made available in the market-place; and
- for the period equal to the length of time it originally took to restore such lost or damaged **property** with reasonable speed.

If a competitor introduces a similar product prior to the date you scheduled the introduction of your new or enhanced product, we will reduce the amount of such actual **business income** loss to the extent attributable to the competitor's product.

Premises Coverages

New Product Delay (continued)

The **business income** loss must be caused by or result from direct physical loss or damage by a **covered peril to property**, and must result in a delay in the introduction of any new product or the enhancement of any existing product.

The most we will pay for New Product Delay is the applicable Limit Of Insurance for Business Income With Extra Expense shown in the Declarations.

Additional Coverages

The following Additional Coverages apply within the coverage territory.

Any Other Location

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**,

during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Business Income shown under Any Other Location in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril to property** at unspecified premises.

This Additional Coverage does not apply to **business income** loss or **extra expense** you incur caused by or resulting from loss or damage to property:

- used by utility companies to supply you with services;
- used by **on-line access** providers;
- at a **dependent business premises**;
- at a newly acquired premises;
- at any exhibition, fair or trade show; or
- **in transit**.

This Additional Coverage applies only if a Limit Of Insurance for Business Income is shown under Any Other Location in the Declarations.

Civil Authority

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**,

directly caused by the prohibition of access to:

- your premises; or
- a **dependent business premises**,

by a civil authority.

This prohibition of access by a civil authority must be the direct result of direct physical loss or damage to property away from such premises or such **dependent business premises** by a **covered peril**, provided such property is within:

- one mile; or
- the applicable miles shown in the Declarations,

from such premises or **dependent business premises**, whichever is greater.

CHUBB®**Business Income With Extra Expense****Additional Coverages****Civil Authority
(continued)**

The most we will pay for Civil Authority is the applicable Limit Of Insurance for Business Income With Extra Expense shown in the Declarations.

The coverage for:

A. **business income** will begin:

1. after the applicable waiting period shown in the Declarations for Business Income expires; or
2. 24 consecutive hours following the time the civil authority prohibits access, whichever is the longer.

The Waiting Period shown in the Declarations will begin immediately following the time the civil authority prohibits access.

The coverage will apply for a period of:

- up to 30 consecutive days after coverage begins; or
- when your **business income** loss ends,

whichever occurs first; and

B. **extra expense** will begin immediately after the time the civil authority prohibits access and will end:

1. 30 consecutive days after the coverage begins; or
2. whenever your **business income** coverage ends, whichever is later.

This Additional Coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or **flood**.

**Dependent Business
Premises**

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**,

during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Dependent Business Premises shown under Business Income in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril to property or personal property of a dependent business premises** at a **dependent business premises**.

You may purchase higher limits for specific **dependent business premises** only by showing such premises in the Declarations. Such higher limits apply to actual **business income** loss or **extra expense** only if the covered direct physical loss or damage occurs at such **dependent business premises**.

This Additional Coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or **flood**.

Additional Coverages*(continued)***Exhibition, Fair Or Trade Show**

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**,

during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Business Income shown under Exhibition, Fair Or Trade Show in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril to personal property, electronic data processing property** (other than **mobile communication property**) or **fine arts** at, or while **in transit** to or from, any exhibition, fair or trade show.

This Additional Coverage applies only if a Limit Of Insurance for Business Income is shown under Exhibition, Fair Or Trade Show in the Declarations.

In Transit

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**,

during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Business Income shown under In Transit in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril to personal property, electronic data processing property, fine arts or valuable papers while in transit**.

This Additional Coverage does not apply to any **business income** loss or **extra expense**:

- caused by or resulting from loss or damage to any property while **in transit** to or from any exhibition, fair or trade show;
- when you are acting as a carrier for hire;
- if you have purchased separate ocean marine insurance which covers any property while **in transit**; or
- caused by or resulting from loss or damage to shipments by mail, unless registered.

This Additional Coverage applies only if a Limit Of Insurance for Business Income is shown under In Transit in the Declarations.

Loss Of Utilities

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**,

during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Loss Of Utilities shown under Business Income in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to:

- **building**;
- **personal property of a utility** located either inside or outside of a **building**; or

CHUBB®**Business Income With Extra Expense****Additional Coverages****Loss Of Utilities**
(continued)

• **service property,**
excluding **overhead communication, transmission or distribution equipment,** necessary to supply your premises with:

- water supply;
- communication supply;
- power supply;
- natural gas supply;
- sewage treatment; or
- **on-line access,**

services.

We will pay such loss provided that the disruption of services:

- is not due to your failure to comply with the terms and conditions of any contract; and
- has been reported to the service provider.

We will not pay for the actual **business income** loss you incur until the:

- applicable waiting period shown in the Declarations for Business Income expires;
- applicable waiting period shown in the Declarations for Loss Of Utilities expires; or
- first 24 consecutive hours following the direct physical loss or damage expires,

whichever is the longer.

This Additional Coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or **flood**.

Newly Acquired Premises

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**,

during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Business Income shown in the Declarations under Newly Acquired Premises.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril to property** at each newly acquired premises. This Additional Coverage applies until the first of the following occurs:

- you notify us of how you want Business Income With Extra Expense to apply to the newly acquired premises and we add such premises to this policy;
- 180 days pass from the date you acquire the premises; or
- this policy expires.

We will charge you additional premium from the date you acquire the premises, if we add such premises to this policy.

Additional Coverages*(continued)***Pollutant Clean-up Or Removal**

We will pay for the actual **business income** loss you incur due to the actual impairment of your **operations** during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Pollutant Clean-up Or Removal shown under Business Income in the Declarations.

This actual impairment of **operations** must be caused by or result from the enforcement of any ordinance or law that requires you to clean up or remove **pollutants** from land, water or air, either inside or outside of a **building**, as a result of direct physical loss or damage by a **covered peril to property** at the premises shown in the Declarations.

Preparation Of Loss Fees

We will pay the reasonable and necessary expenses and fees incurred following covered loss or damage to certify your **business income** loss or **extra expense**, not to exceed the applicable Limit Of Insurance for Preparation Of Loss Fees shown under Business Income in the Declarations.

This Additional Coverage does not apply to any expenses you incur for any:

- insurance adjuster, consultant or attorney; or
- of your subsidiaries or affiliates.

Prohibition Of Access

We will pay for the actual:

- **business income** loss; and
- **extra expense**,

you incur due to the actual impairment of your **operations**, directly caused by the prohibition of access to a premises shown in the Declarations by a civil authority, subject to the applicable Limits Of Insurance for Prohibition Of Access.

This prohibition of access must be the direct result of a peril (not otherwise excluded by the Building And Personal Property Contract included in this policy) that:

- A. has occurred at or within 1,000 feet of such premises; or
- B. is certain to occur imminently, provided:
 1. the geographic area where access is restricted is less than 5,000 square feet; or
 2. the prohibition of access only applies to such premises.

The coverage will begin immediately following the time the civil authority prohibits access. The coverage will apply for a period of:

- up to 30 consecutive days after the coverage begins; or
- when your **business income** loss ends,

whichever occurs first.

This Additional Coverage does not apply:

- A. if the prohibition of access is caused by or results from:
 1. direct physical loss or damage to property;
 2. weather conditions; or
 3. earthquake or **flood**; or

CHUBB®**Business Income With Extra Expense****Additional Coverages****Prohibition Of Access
(continued)**

- B. to **business income** loss, unless a Limit Of Insurance for Business Income is shown in the Declarations applicable to the premises where prohibition of access occurred.

Limits Of Insurance

Except as provided under Prohibition Of Access, the most we will pay in any **occurrence** is the amount of loss, not to exceed the applicable Limit Of Insurance shown in the Declarations.

If a Limit Of Insurance for Business Income With Extra Expense is shown under a premises in the Declarations:

- such limit reflects your total Limit Of Insurance for such premises; and
- the Limit Of Insurance for Extra Expense shown in the Supplementary Declarations – Property does not apply.

**Automatic Increase In
Limits**

The Limits Of Insurance for Business Income With Extra Expense will automatically increase by the annual percentage shown in the Declarations under Automatic Increase In Limits. At the time of loss or damage, the amount of increase will be determined by multiplying the applicable Limit Of Insurance shown in the Declarations by the percentage of the annual increase, applied on a pro rata basis.

This Automatic Increase In Limits:

- applies only to a premises shown in the Declarations for which the Automatic Increase in Limits is shown; and
- does not apply to any Limit Of Insurance applicable to more than one premises.

**Prohibition Of Access –
Limits Of Insurance**

The most we will pay under the Prohibition Of Access Additional Coverage in any one prohibition of access, directly resulting from:

- A. a peril; or
- B. series of perils that:
1. contribute concurrently to; or
 2. contribute in any sequence to,
- such prohibition of access,

regardless of the number of premises, is the amount of **business income** loss and **extra expense**, if such coverage is provided, not to exceed the greater of:

- \$50,000; or
- the applicable Each Occurrence Limit Of Insurance for Prohibition of Access shown in the Declarations.

The most we will pay for all such loss or damage that occurs during each separate 12 month policy period is the greater of:

- \$100,000; or
- the applicable Aggregate Limit Of Insurance for Prohibition Of Access shown in the Declarations, regardless of the number of prohibitions of access.

Waiting Period

Subject to the applicable Limit Of Insurance, we will pay the amount of **business income** loss that is incurred after the waiting period shown in the Declarations for each **occurrence**.

If a waiting period is shown in the Declarations, the waiting period begins immediately following the time of the covered direct physical loss or damage.

If two or more Business Income waiting periods apply to the same **occurrence**, only the largest single waiting period will apply, unless otherwise stated.

Hours shown for the waiting period are consecutive hours.

The waiting period does not apply to **extra expense**.

Loss Determination

In making any loss determination under this coverage, we may utilize relevant sources of information, including:

- your financial records and accounting procedures;
- bills, invoices and other vouchers;
- deeds, liens and contracts;
- status and feasibility reports; and
- budgeting and marketing records.

Business Income

The amount of **business income** loss will be determined based on:

- net income of your business before the direct physical loss or damage occurred;
- the likely net income of your business if no loss or damage occurred, but not including any **business income** that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the covered loss on customers or on other businesses; and
- your continuing operating expenses, including your continuing normal payroll expenses, necessary to resume **operations** with the same quality of service that existed just before the direct physical loss or damage.

Extra Expense

The amount of **extra expense** loss will be determined based on necessary expenses that:

- exceed your normal operating expenses that would have been incurred by **operations** during the **period of restoration**, if no physical loss or damage had occurred; and
- reduce the **business income** loss that otherwise would have been incurred.

We will deduct from the total of such expenses:

- the salvage value that remains on any property bought for temporary use during the **period of restoration**, once **operations** are resumed; and
- any **extra expense** that is paid for by other insurance.

Resumption Or Continuation Of Operations

We will reduce the amount of any **business income** loss payment to the extent you can resume or continue your **operations**, in whole or in part, by using:

- damaged or undamaged property, including **merchandise** or **stock**; or
- any other available premises.



Business Income With Extra Expense

Loss Determination

Resumption Or Continuance Of Operations (continued)

If you elect not to resume or continue **operations**:

- any loss determination for **business income** will be based on the length of time it would have taken to resume or continue **operations** with reasonable speed; and
- we will not make any payment for **extra expense**.

Loss Payment Option

The following Loss Payment Option applies when a Monthly Limit of Indemnity under Business Income is shown in the Declarations:

Monthly Limit Of Indemnity

The most we will pay for the actual **business income** loss incurred in each period of 30 consecutive days after the beginning of the **period of restoration** will be determined by multiplying the Limit Of Insurance for Business Income With Extra Expense by the Monthly Limit Of Indemnity shown in the Declarations.

If all of the amount determined by this calculation is not used in the 30 day period, the unused portion may be applied to any subsequent 30 day periods.

This Monthly Limit Of Indemnity applies only for **business income** loss, not **extra expense**.

Loss Payment Limitations

Debris Removal

We will not pay for any **extra expense** you incur for the demolition or removal of debris, but we will pay for such **extra expense** you incur to the extent it reduces the amount of a covered **business income** loss that otherwise would have been payable under this contract.

Electronic Data

We will not pay for any **business income** loss or **extra expense** you incur caused by or resulting from direct physical loss or damage to **electronic data** caused by or resulting from **malicious programming** regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

Increase Of Loss Due To Death Or Injury

We will not pay for any **business income** loss or **extra expense** caused by or resulting from any injury, sickness, disease, death, emotional injury, emotional distress or humiliation of any person.

Increase Of Loss Due To Strikers Or Others Causing A Delay

We will not pay for any increase of loss caused by or resulting from delay in repairing or replacing property or resuming your **operations**, due to interference at the location of the repair, replacement or **operations** by strikers or other persons.

Loss Payment Limitations

(continued)

Loss Or Damage To Finished Stock

We will not pay for that part of any **business income** loss to **finished stock**.

Loss Or Damage To Property Used To Provide Utility Services

Except as provided for in the Loss of Utilities Additional Coverage, we will not pay for any **business income** loss or **extra expense** caused by or resulting from loss or damage to:

- **building;**
- **personal property of a utility** located either inside or outside of a **building;** or
- **service property,**

used by you or a utility to provide you with utility services.

Loss Or Damage To Water

We will not pay for any **business income** loss or **extra expense** you incur for loss or damage to water.

Nuclear Hazard

We will not pay for any **business income** loss or **extra expense** you incur for loss or damage to **building or personal property** caused by or resulting from fire which ensues from nuclear reaction or radiation, or radioactive contamination.

Pollutant Clean-up Or Removal

We will not pay for any **extra expense** you incur for:

- clean up or removal of **pollutants** from land, water or air, either inside or outside of a **building;** or
- testing for, monitoring, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of **pollutants,**

but we will pay for such **extra expense** you incur to the extent it reduces the amount of a covered **business income** loss that otherwise would have been payable under this contract.

Conditions (Including Coverage Territory)

The conditions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy.

Definitions

The definitions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy.

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8

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CHUBB®

Extra Expense**Contract**

Words and phrases that appear in **bold print** have special meanings and are defined in the Property/Business Income Conditions And Definitions form included in this policy.

Throughout this contract, the words "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we", "us" and "our" refer to the company providing this insurance.

Premises Coverages

The following Premises Coverages apply only at those premises for which a Limit Of Insurance applicable to such coverages is shown in the Declarations.

Except as otherwise provided, direct physical loss or damage must:

- be caused by or result from a **covered peril**; and
- occur at, or within 1,000 feet of, the premises, other than a **dependent business premises**, shown in the Declarations.

Extra Expense

We will pay for the actual **extra expense** you incur due to the actual or potential impairment of your **operations** during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Extra Expense shown in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to **property** unless otherwise stated.

This Premises Coverage applies only at those premises:

- where you incur an **extra expense** loss; and
- for which a Limit Of Insurance for Extra Expense is shown in the Declarations.

Alternative Power Generation

We will pay for the actual **extra expense** you incur:

- due to the actual or potential impairment of your **operations**; and
- during the **period of restoration**,

to purchase substitute power from a third party due to the loss of credits, reimbursements, rebates or other sums you receive from a third party that utilizes surplus power that you generate from **alternative power generating equipment**.

The actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to **alternative power generating equipment**.

This Premises Coverage applies until the **alternative power generating equipment** is repaired or replaced and fully operational in accordance with the manufacturer's specifications.

The most we will pay for Alternative Power Generation loss is the applicable Limit of Insurance for Extra Expense shown in the Declarations.

This Alternative Power Generation Premises Coverage does not apply to any premises that supplies your premises with utility services.

Premises Coverages*(continued)***Fungus Clean-up Or Removal**

We will pay for the actual **extra expense** you incur due to the actual impairment of your **operations** during the **period of restoration**, not to exceed the applicable Limit Of Insurance For Extra Expense shown in the Declarations.

This actual impairment of **operations** must be caused by or result from the presence of **fungus** at your premises shown in the Declarations.

Coverage will begin immediately after the date the **fungus** first appeared and will end:

- 45 consecutive days after this coverage begins; or
- when your impairment of **operations** ends,

whichever occurs first.

This Premises Coverage does not apply if the presence of **fungus**:

- A. is caused by or results from:
 1. a peril that is not a **covered peril**; or
 2. moisture, other than **water** or **flood**, if **flood** would be covered under this insurance;
- B. existed prior to the effective date shown in the Declarations;
- C. is not reported to us in writing as soon as possible after you first become aware, or in the exercise of reasonable care should have been aware, of the presence of **fungus**; or
- D. is at premises shown under Excluded Premises in the Declarations.

Ingress And Egress

We will pay for the actual **extra expense** you incur due to the actual or potential impairment of your **operations** when existing ingress to or egress from a premises shown in the Declarations is prevented due to direct physical loss or damage by a **covered peril** to property, provided such property is within:

- one mile; or
- the applicable miles shown in the Declarations,

from such premises, whichever is greater.

This Premises Coverage will begin at the time of direct physical loss or damage and will continue until the expiration of 30 consecutive days thereafter or whenever your business income coverage ends, whichever occurs first.

This Premises Coverage does not apply if the:

- direct physical loss or damage is caused by or results from earthquake or **flood**; or
- ingress to or egress from your premises is prohibited by civil authority.

The most we will pay for this Premises Coverage is the applicable Limit Of Insurance for Ingress And Egress shown under Extra Expense in the Declarations.

CHUBB®**Extra Expense****Additional Coverages**

The following Additional Coverages apply within the coverage territory.

Civil Authority

We will pay for the actual **extra expense** you incur due to the actual or potential impairment of your **operations** directly caused by the prohibition of access to:

- your premises; or
- a **dependent business premises**,

by a civil authority.

This prohibition of access by a civil authority must be the direct result of direct physical loss or damage to property away from such premises or such **dependent business premises** by a **covered peril**, provided such property is within:

- one mile; or
- the applicable miles shown in the Declarations,

from such premises or **dependent business premises**, whichever is greater.

The most we will pay for Civil Authority is the applicable Limit Of Insurance for Extra Expense shown in the Declarations.

The coverage will begin immediately after the time the civil authority prohibits access and will end:

- 30 consecutive days after the coverage begins; or
- whenever your **extra expense** is no longer required,

whichever occurs first.

This Additional Coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or **flood**.

Dependent Business Premises

We will pay for the actual **extra expense** you incur due to the actual or potential impairment of your **operations** during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Dependent Business Premises shown under Extra Expense in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril to property or personal property of a dependent business premises** at a **dependent business premises** shown in the Declarations.

This Additional Coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or **flood**.

Loss Of Utilities

We will pay for the actual **extra expense** you incur due to the actual or potential impairment of your **operations**, during the **period of restoration** not to exceed the applicable Limit of Insurance for Loss Of Utilities shown under Extra Expense in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril to**:

- **building**;
- **personal property of a utility** located either inside or outside of a **building**; or

Additional Coverages

Loss Of Utilities (continued)

- **service property,**
excluding **overhead communication, transmission or distribution equipment,** necessary to supply your premises with:

- water supply;
- communication supply;
- power supply;
- natural gas supply;
- sewage treatment; or
- **on-line access,**

services.

We will pay such loss provided that the disruption of services:

- is not due to your failure to comply with the terms and conditions of any contract; and
- has been reported to the service provider.

This Additional Coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or **flood**.

Limits Of Insurance

The most we will pay in any **occurrence** is the amount of loss, not to exceed the applicable Limit Of Insurance shown in the Declarations.

Loss Determination

In making any loss determination under this coverage, we will utilize relevant sources of information, including:

- your financial records and accounting procedures;
- bills, invoices and other vouchers;
- deeds, liens and contracts;
- status and feasibility reports; and
- budgeting and marketing records.

Extra Expense

The amount of **extra expense** loss will be determined based on necessary expenses that exceed your normal operating expenses that would have been incurred by **operations** during the **period of restoration**, if no physical loss or damage had occurred.

We will deduct from the total of such expenses:

- the salvage value that remains of any property bought for temporary use during the **period of restoration**, once **operations** are resumed; and
- any **extra expense** that is paid for by other insurance.

CHUBB®**Extra Expense****Loss Determination***(continued)***Resumption Or
Continuance Of
Operations**

If you elect not to resume or continue **operations**, we will not make any payment for **extra expense**.

**Loss Payment
Limitations****Debris Removal**

We will not pay for any **extra expense** you incur for the demolition or removal of debris.

Electronic Data

We will not pay for any **extra expense** you incur caused by or resulting from direct physical loss or damage to **electronic data** caused by or resulting from **malicious programming**, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

**Increase Of Loss Due To
Death Or Injury**

We will not pay for any **extra expense** you incur caused by or resulting from any injury, sickness, disease, death, emotional injury, emotional distress or humiliation of any person.

**Increase Of Loss Due To
Strikers Or Others
Causing A Delay**

We will not pay for any increase of loss caused by or resulting from delay in repairing or replacing property or resuming your **operations**, due to interference at the location of the repair, replacement or **operations** by strikers or other persons.

**Loss Or Damage To
Property Used To
Provide Utility Services**

Except as provided for in the Loss Of Utilities Additional Coverage, we will not pay for any **extra expense** caused by or resulting from loss or damage to:

- **building;**
- **personal property of a utility** located either inside or outside of a **building;** or
- **service property,**

used by you or a utility or provide you with utility services.

**Loss Or Damage To
Water**

We will not pay for any **extra expense** you incur for loss or damage to water.

**Loss Payment
Limitations**
(continued)

Nuclear Hazard

We will not pay for any **extra expense** you incur for loss or damage to **building** or **personal property** caused by or resulting from fire which ensues from nuclear reaction or radiation, or radioactive contamination.

**Pollutant Clean-up Or
Removal**

We will not pay for any **extra expense** caused by or resulting from the:

- clean up or removal of **pollutants** from any land, water or air, either inside or outside of a **building**; or
- testing for, monitoring, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of **pollutants**.

**Conditions (Including
Coverage Territory)**

The conditions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy.

Definitions

The definitions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy.

Property Insurance**Mobile Equipment****Table Of Contents**

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PROPERTY

CONTRACT

MOBILE EQUIPMENT

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Mobile Equipment

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Property/Business Income Conditions And Definitions form included in this policy.

Throughout this contract the words "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we", "us" and "our" refer to the company providing this insurance.

Coverages

Mobile Equipment

We will pay for direct physical loss or damage to **mobile equipment** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Mobile Equipment shown in the Declarations.

Civil Authority

We will pay for direct physical loss or damage to **mobile equipment** caused by or resulting from actions by a civil authority in an attempt to avoid further loss or damage caused by or resulting from a peril not otherwise excluded.

The most we will pay for Civil Authority is the applicable Limit Of Insurance for Mobile Equipment shown in the Declarations.

Extra Rental Expense

We will pay for the actual **extra rental expense** you incur due to the actual or potential impairment of your **operations** during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Mobile Equipment – Extra Rental Expense shown in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage to **mobile equipment** by a peril not otherwise excluded.

The most we will pay in any **occurrence** is the amount of **extra rental expense**, not to exceed the applicable Limit Of Insurance for Extra Rental Expense shown in the Declarations.

Fire Protection Equipment

We will pay the cost you incur to refill your discharged fire protection equipment whether or not there is direct physical loss or damage to your **mobile equipment**.

This Coverage is provided regardless of whether a Limit Of Insurance is shown in the Declarations.

Newly Acquired Mobile Equipment

We will pay for direct physical loss or damage to newly acquired **mobile equipment** caused by or resulting from a peril not otherwise excluded, not to exceed the lesser of:

- 25% of the Limit Of Insurance for Mobile Equipment shown in the Declarations; or
- \$250,000.

This coverage applies until the first of the following occurs:

- you report the value of the **mobile equipment** to us, and we add such **mobile equipment** to this policy;

Coverages

Newly Acquired Mobile Equipment (continued)

- 90 days pass from the date you acquire the **mobile equipment**; or
- this policy expires.

We will charge you additional premium for the reported values from the date you acquire the **mobile equipment**, if we add such **mobile equipment** to this policy.

Preparation Of Loss Fees

We will pay the reasonable and necessary expenses we require you to incur after covered direct physical loss or damage to **mobile equipment** to determine the extent of such loss or damage, not to exceed the applicable Limit Of Insurance for Preparation of Loss Fees shown in the Declarations.

This Additional Coverage does not apply to any expenses you incur for any:

- insurance adjuster, consultant or attorney; or
- of your subsidiaries or affiliates.

Public Safety Service Charges

We will pay the charges you:

- assume under any contract or agreement; or
- are required to pay by local ordinance,

in effect at the time of the direct physical loss or damage, if a fire department or other municipal agency charged with preserving public safety is called to save or protect **mobile equipment** from direct physical loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Public Safety Service Charges shown in the Declarations.

Removal

We will pay for direct physical loss or damage to **mobile equipment** while:

- being moved to another location or returned from such location to its original location; or
- temporarily stored at another location,

if you must move the **mobile equipment** from such location to preserve it from imminent loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Mobile Equipment shown in the Declarations.

Debris Removal Coverage

The following Debris Removal Coverage applies.

Debris Removal

We will pay for the costs you incur to demolish and remove debris of damaged **mobile equipment** within the coverage territory stated in this policy applicable to **mobile equipment**, caused by or resulting from a peril not otherwise excluded that occurs during the policy period.

A. The most we will pay for debris removal is the lesser of:

1. 25% of the covered direct physical loss or damage; or

CHUBB®**Mobile Equipment****Debris Removal Coverage****Debris Removal
(continued)**

2. the remaining applicable Limit Of Insurance for Mobile Equipment shown in the Declarations, after payment of the covered direct physical loss or damage.

B. If the amount in A. above is insufficient to pay the debris removal, we will pay the remaining debris removal, subject to the applicable Limit Of Insurance shown under Debris Removal in the Declarations.

Debris removal will be paid only if:

- reported to us in writing within 180 days of the date of the direct physical loss or damage to **mobile equipment**; and
- a Limit Of Insurance applicable to the damaged **mobile equipment** is shown in the Declarations.

Debris removal does not apply to costs to:

- clean up or remove **pollutants** from land, water or air; or
- clean up, remove, restore or replace polluted land, water or air, either inside or outside of a **building**.

Policy Exclusions

The following Policy Exclusions apply to all the Coverages in this contract.

Acts Or Decisions

This insurance does not apply to loss or damage caused by or resulting from acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

This Acts Or Decisions exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Collapse Or Collision Of Booms Or Jibs

This insurance does not apply to loss or damage caused by or resulting from collapse or collision of booms or jibs, unless directly caused by or resulting from fire or lightning, wind or hail, riot or civil commotion, **flood**, earthquake or collapse of a **building**.

Disappearance

This insurance does not apply to loss or damage caused by or resulting from:

- disappearance; or
- shortage disclosed on taking inventory,

where there is no physical evidence to show what happened.

This Disappearance exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Policy Exclusions

(continued)

Dishonesty

This insurance does not apply to loss or damage caused by or resulting from fraudulent, dishonest or criminal acts or omission committed alone or in collusion with others by you, your partners, members, officers, managers, directors, trustees, employees, anyone performing acts coming within the scope of the usual duties of your employees, or by anyone authorized to act for you, or anyone to whom you have entrusted covered property for any purpose.

This Dishonesty exclusion does not apply to:

- A. acts of vandalism; or
- B. ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Electric Breakdown

This insurance does not apply to loss or damage caused by or resulting from electric breakdown.

Governmental Or Military Action

This insurance does not apply to loss or damage caused by or resulting from seizure, confiscation, expropriation, nationalization or destruction of property by order of governmental or military authority, whether de jure or de facto, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Governmental Or Military Action exclusion does not apply to loss or damage caused by or resulting from acts of destruction ordered by governmental or military authority when taken at the time of a fire to prevent its spread, if the fire would be covered under this insurance.

Inherent Vice/Latent Defect

This insurance does not apply to loss or damage caused by or resulting from inherent vice or latent defect.

This Inherent Vice/Latent Defect exclusion does not apply to:

- loss or damage caused by or resulting from a **specified peril**; or
- ensuing loss or damage caused by or resulting from a **specified peril** or **water**.

Nuclear Hazard

This insurance does not apply to loss or damage caused by or resulting from nuclear reaction or radiation, or radioactive contamination, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.



Mobile Equipment

Policy Exclusions

Nuclear Hazard (continued)

This Nuclear Hazard exclusion does not apply to ensuing loss or damage to **mobile equipment** caused by or resulting from fire, if the fire would be covered under this insurance and there is a law in effect in the jurisdiction when the loss or damage occurs that expressly prohibits us from excluding such ensuing loss or damage.

Planning, Design, Materials Or Maintenance

This insurance does not apply to loss or damage (including the costs of correcting or making good) caused by or resulting from any faulty, inadequate or defective:

- planning, zoning, development, surveying, siting;
- design, specifications, plans, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- materials used in repair, construction, renovation or remodeling; or
- maintenance,

of part or all of any property on or off the premises shown in the Declarations.

This Planning, Design, Materials Or Maintenance exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Utility Supply Failure

This insurance does not apply to loss or damage caused by or resulting from the suspension or reduction of:

- water services;
- electrical or other power services;
- natural gas or other fuel services; or
- Internet or other communication services,

regardless of any other cause or event that:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Utility Supply Failure exclusion does not apply:

- if the suspension or reduction of such services is the direct result of direct physical loss or damage caused by or resulting from a peril not otherwise excluded; or
- to ensuing loss or damage caused by or resulting from a **specified peril**.

Policy Exclusions*(continued)***Rust**

This insurance does not apply to loss or damage caused by or resulting from rust, oxidation, corrosion or discoloration.

This Rust exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

War And Military Action

This insurance does not apply to loss or damage caused by or resulting from:

- war, including undeclared or civil war;
- warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- insurrection, rebellion, revolution, usurped power or action taken by governmental or military authority, whether de jure or de facto, in hindering or defending against any of these,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

Wear And Tear

This insurance does not apply to loss or damage caused by or resulting from wear and tear or deterioration.

This Wear And Tear exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril** or **water**.

Weight Load

This insurance does not apply to loss or damage caused by or resulting from the weight of a load exceeding the manufacturer's rated lifting capacity as specified in load charts, brochures or manuals published by the manufacturer.

Limits Of Insurance

The most we will pay in any **occurrence** is the amount of loss or damage, not to exceed the applicable Limit Of Insurance shown in the Declarations.

If any Coverage appears in more than one contract which form a part of this policy, unless otherwise specified, the applicable Limit Of Insurance shown in the Declarations for such Coverage is the most we will pay in any **occurrence**, regardless of the number of contracts in which such Coverage appears.

CHUBB®**Mobile Equipment****Deductible**

Subject to the applicable Limit Of Insurance, we will pay the amount of loss or damage in excess of the applicable deductible amount shown in the Declarations for each **occurrence**.

If two or more deductibles apply to the same **occurrence**, only the largest single deductible will apply, unless otherwise stated.

Loss Payment Basis

The following Loss Payment Basis provisions apply to all coverages contained within this contract, unless otherwise stated.

Subject to the applicable Limit Of Insurance shown in the Declarations:

- A. **mobile equipment** is valued on an actual cash value basis as described below, unless:
 1. the Loss Payment Basis shown in the Declarations is replacement cost; or
 2. otherwise stated under Loss Payment Basis Exceptions; and
- B. valuation also includes costs you incur as described under Extended Warranties.

Our Loss Payment Options

In the event of loss or damage covered by this insurance, at our option, we will either:

- pay the covered value of the lost or damaged covered **mobile equipment**;
- pay the cost of repairing or replacing the lost or damaged covered **mobile equipment** plus any reduction in value of the repaired item;
- take all or any part of the covered **mobile equipment** at an agreed or appraised value; or
- repair or replace the covered **mobile equipment** with other such covered **mobile equipment** of comparable material and quality for the same use or occupancy.

Replacement Cost Basis

If the Loss Payment Basis shown in the Declarations is replacement cost basis, lost or damaged **mobile equipment** will be valued at the cost to repair or replace such **mobile equipment** at the time of loss or damage, but not more than you actually spend to repair or replace such **mobile equipment** for the same use or occupancy. There is no deduction for physical deterioration or depreciation.

If you replace the lost or damaged **mobile equipment**, the valuation will include customs duties incurred.

If you do not repair or replace the **mobile equipment**, we will only pay as provided under Actual Cash Value Basis.

If you commence the repair or replacement of the lost or damaged **mobile equipment** within 12 months from the date of the loss or damage, we will pay you the difference between the actual cash value previously paid and the lesser of the:

- replacement cost at the time of loss or damage; or
- actual costs you incur to repair or replace.

Payment under the Replacement Cost Basis will not be made until the completion of the repairs or the replacement of the **mobile equipment**.

Loss Payment Basis

(continued)

Actual Cash Value Basis Lost or damaged **mobile equipment** will be valued at the cost to repair or replace such **mobile equipment** at the time of loss or damage with material of like kind and quality, less allowance for each of the following:

- physical deterioration;
- physical depreciation;
- obsolescence; and
- depletion.

Extended Warranties **Mobile equipment** valuation includes the pro rata portion of the original cost based on the period of time remaining in your nonrefundable extended warranties, maintenance contracts or service contracts that you purchased and which are no longer valid on lost or damaged **mobile equipment** that you repair or replace.

Loss Payment Basis Exceptions

Mobile Equipment Of Others **Mobile equipment** not owned by you is valued on the same basis as your **mobile equipment**, subject to all other exceptions described under Loss Payment Basis Exceptions, but we will not pay more than the amount for which you are contractually liable.

Nuclear Hazard **Mobile equipment** which suffers direct physical loss or damage caused by or resulting from fire which ensues from nuclear reaction or radiation, or radioactive contamination, is valued on an actual cash value basis, subject to all other exceptions described under Loss Payment Basis Exceptions.

Loss Payment Limitations

Electronic Data We will not pay for any loss or damage to **electronic data**, unless such loss or damage is caused by or results from:

- aircraft;
- earthquake, to the extent covered under this contract;
- explosion;
- falling objects;
- fire;
- **flood**, to the extent covered under this contract;
- freezing;

CHUBB®**Mobile Equipment****Loss Payment
Limitations****Electronic Data
(continued)**

- leakage from fire protection equipment;
- lightning;
- riot or civil commotion;
- **sinkhole collapse**;
- smoke;
- vehicles;
- weight of snow; or
- windstorm or hail.

Loss Of Market

We will not pay for any loss or damage that results from loss of market, loss of use or delay.

**Loss Determination –
Extra Rental Expense**

In making any loss determination under **extra rental expense**, we will utilize relevant sources of information, including:

- your financial records and accounting procedures;
- bills, invoices and other vouchers;
- deeds, liens and contracts;
- status and feasibility reports; and
- budgeting and marketing records.

Extra Rental Expense

The amount of **extra rental expense** loss will be determined based on:

- all rental expenses that exceed your normal rental expenses that would have been incurred by **operations** during the **period of restoration**, if no direct physical loss or damage had occurred; and
- all necessary expenses that reduce the **extra rental expense** loss that otherwise would have been incurred.

We will deduct from the total of such expenses:

- the salvage value that remains of any **mobile equipment** bought for temporary use during the **period of restoration**, once **operations** are resumed; and
- any **extra rental expense** that is paid for by other insurance.

If you elect not to rent substitute **mobile equipment**, we will not make any payment for **extra rental expense**.

Conditions (Including Coverage Territory)

The conditions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy. Any additional conditions are shown in the Additional Conditions section of this contract.

Additional Condition**Coinurance For Mobile Equipment**

Coinurance applies to **mobile equipment** only when a coinurance percentage under Mobile Equipment is shown in the Declarations.

Coinurance does not apply to **mobile equipment** you lease, rent or borrow from others.

If coinurance applies, our maximum loss payment will be determined as follows:

- A. determine the value of the covered **mobile equipment** at the time of loss or damage in accordance with the applicable Loss Payment Basis as provided under Loss Payment Basis;
- B. multiply the value determined in step A. by the applicable coinurance percentage shown in the Declarations;
- C. divide the applicable Limit Of Insurance for Mobile Equipment shown in the Declarations by the amount determined in step B.;
- D. multiply the total amount of the covered loss or damage, before the application of any deductible, by the amount determined in step C.; and
- E. subtract the applicable deductible from the amount determined in step D.

The amount determined in step E. is the most we will pay for loss or damage, not to exceed the applicable Limit Of Insurance for Mobile Equipment shown in the Declarations.

Definitions

The definitions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy. Any additional definitions or amended definitions are shown in the Additional Definition section of this contract and the Amended Definitions section of this contract.

Additional Definition**Extra Rental Expense**

Extra rental expense means necessary rental expenses you incur for substitute **mobile equipment**, in an attempt to continue **operations**, over and above the rental expenses you would have normally incurred provided you do not have equivalent idle **mobile equipment** at your disposal.

Amended Definitions**Operations**

Operations means your business activities involving the use of **mobile equipment**.

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Mobile Equipment

Amended Definitions
(continued)

Period Of Restoration

Period of restoration means the period of time that begins immediately after the time of direct physical loss or damage to the **mobile equipment** and ends on the date such **mobile equipment** has been repaired or replaced.

Period of restoration does not include any increased period due to the enforcement of any ordinance or law that regulates the construction, use or repair, or requires the tearing down of any property.

Property Insurance**Impairment Of Computer Services —
Malicious Programming****Table Of Contents**

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PROPERTY

CONTRACT

IMPAIRMENT OF

COMPUTER SERVICES

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Impairment Of Computer Services — Malicious Programming

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Property/Business Income Conditions And Definitions form included in this policy and the Amended Definitions section of this contract.

Throughout this contract, the words, "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we", "us" and "our" refer to the company providing this insurance.

Coverages

Impairment Of Computer Services - Inside Attack

We will pay for the actual:

- **electronic data recovery costs;**
- **business income loss; and**
- **extra expense,**

you incur due to the actual impairment of your **operations** during the **period of recovery of computer service**, not to exceed the applicable Limit Of Insurance for Impairment Of Computer Services - Inside Attack shown in the Declarations.

This actual impairment of **operations** must be caused by or result from actual loss to **electronic data** or a **system** due to **malicious programming** by an **insider**, unless an exclusion applies.

Impairment Of Computer Services - Outside Attack

We will pay for the actual:

- **electronic data recovery costs;**
- **business income loss; and**
- **extra expense,**

you incur due to the actual impairment of your **operations** during the **period of recovery of computer service**, not to exceed the applicable Limit Of Insurance for Impairment Of Computer Services - Outside Attack shown in the Declarations.

This actual impairment of **operations** must be caused by or result from actual loss to **electronic data** or a **system** due to **malicious programming** by an **outsider**, unless an exclusion applies.

Policy Exclusions

The following Policy Exclusions apply to all coverages provided in this contract.

Dishonesty

This insurance does not apply to loss caused by or resulting from fraudulent, dishonest or criminal acts or omissions committed alone or in collusion with others by you, your partners, members, officers, managers, directors, trustees, employees, anyone performing acts coming within the scope of the usual duties of your employees, or by anyone authorized to act for you, or anyone to whom you have entrusted covered property for any purpose.

This Dishonesty exclusion does not apply to **malicious programming** by an **insider**.

Policy Exclusions*(continued)***Governmental Or Military Action**

This insurance does not apply to loss caused by or resulting from seizure, confiscation, expropriation, nationalization or destruction of property by order of governmental or military authority, whether de jure or de facto, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss, even if such other cause or event would otherwise be covered.

Nuclear Hazard

This insurance does not apply to loss caused by or resulting from nuclear reaction or radiation, or radioactive contamination, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss, even if such other cause or event would otherwise be covered.

Random Or Multiple Attack

This insurance does not apply to loss caused by or resulting from any **malicious programming** which:

- is not specifically directed at a **system**;
- is designed or intended to affect more than one computer system or network; or
- actually affects more than one computer system or network.

This Random Or Multiple Attack exclusion does not apply to **malicious programming** by an **outsider**.

War And Military Action

This insurance does not apply to loss caused by or resulting from:

- war, including undeclared or civil war;
- warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- insurrection, rebellion, revolution, usurped power or action taken by governmental or military authority, whether de jure or de facto, in hindering or defending against any of these,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss, even if such other cause or event would otherwise be covered.

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Impairment Of Computer Services — Malicious Programming

Limits Of Insurance

Impairment Of Computer Services - Insider

The most we will pay in any **occurrence** for the sum of **electronic data recovery costs**, **business income loss** and **extra expense** due to **malicious programming** by an **insider**, is the Limit Of Insurance for Impairment Of Computer Services - Inside Attack shown in the Declarations.

Impairment Of Computer Services - Outsider

The most we will pay in any **occurrence** for the sum of **electronic data recovery costs**, **business income loss** and **extra expense** due to **malicious programming** by an **outsider**, is the Limit Of Insurance for Impairment Of Computer Services - Outside Attack shown in the Declarations.

Subject to the Limit Of Insurance for Impairment Of Computer Services - Outside Attack, the most we will pay for the sum of all **electronic data recovery costs**, **business income loss** and **extra expense** due to **malicious programming** by an **outsider** that occurs during each separate 12-month policy period, is the Aggregate Limit Of Insurance for Impairment Of Computer Services - Outside Attack shown in the Declarations.

Deductible

Subject to the applicable Limit Of Insurance, we will pay the amount of **electronic data recovery costs** in excess of the applicable deductible amount shown in the Declarations for each **occurrence**.

If two or more deductibles apply to the same **occurrence**, only the largest single deductible will apply, unless otherwise stated.

Loss Determination

In making any loss determination under this contract, we may utilize relevant sources of information, including:

- your financial records and accounting procedures;
- bills, invoices and other vouchers;
- deeds, liens and contracts;
- status and feasibility reports; and
- budgeting and marketing records.

Business Income

The amount of **business income loss** will be determined based on the:

- net income of your business before the **malicious programming** occurred;
- the likely net income of your business if no **malicious programming** occurred, but not including any **business income** that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the covered loss on customers or on other businesses; and
- your continuing operating expenses, including your continuing normal payroll expenses, necessary to resume **operations** with the same quality of service that existed just before the **malicious programming**.

Loss Determination*(continued)***Extra Expense**

The amount of **extra expense** loss will be determined based on necessary expenses that:

- exceed your normal operating expenses that would have been incurred by **operations** during the **period of recovery of computer services**, if no **malicious programming** had occurred; and
- reduce the **business income** loss that otherwise would have been incurred.

We will deduct from the total of such expenses:

- the salvage value that remains of any property bought for temporary use during the **period of recovery of computer services**, once **operations** are resumed; and
- any **extra expense** that is paid for by other insurance.

Resumption Or Continuance Of Operations

We will reduce the amount of any **business income** loss payment to the extent you can resume or continue your **operations**, in whole or in part, by using any available **electronic data** or **system**, including the **electronic data** or **system** impacted by the **malicious programming**.

If you elect not to resume or continue **operations**:

- any loss determination for **business income** will be based on the length of time it would have taken to resume or continue **operations** with due diligence and dispatch; and
- we will not make any payment for **extra expense**.

Loss Payment Limitations**Contributing Physical Loss Or Damage**

We will not pay for any **business income** loss or **extra expense** caused by or resulting from **malicious programming** if direct physical loss or damage:

- contributes concurrently to, or
- contributes in any sequence to,

such **business income** loss or **extra expense**.

Extortion

We will not pay that part of any **business income** loss or **extra expense** you incur to respond to extortion or other similar threat.

Loss Of Market

We will not pay for any loss that results from loss of market, loss of use or delay.

Conditions (Including Coverage Territory)

The conditions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy. Any additional conditions are contained in the Additional Condition section of this contract.



Impairment Of Computer Services — Malicious Programming

Additional Condition

System Security

If a **system** is protected by **security software**, you are required to maintain and, as necessary, upgrade (at your own cost) such software so that it provides a technologically credible level of security.

We will not pay for any loss caused by **malicious programming** if, prior to the **malicious programming**, you:

- knew of any defect or deficiency in the **security software** and failed to correct it;
- failed to maintain the **security software** in complete working order; or
- knew of any technologically credible upgrades to the **security software** that could have prevented the **malicious programming**, and failed to make them.

Definitions

The definitions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy. Any definition that amends the definitions contained in the Property/Business Income Conditions And Definitions form are shown in the Amended Definition section of this contract.

Amended Definition

Extra Expense

Extra expense means necessary expenses you incur in an attempt to continue **operations**, over and above the expenses you would have normally incurred.

Property Insurance**Property/Business Income
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CHUBB®

**Property/Business Income
Conditions And Definitions**

Contract

Conditions

The following conditions apply to all contracts contained within the Property/Business Income Insurance sections of this policy, except Care, Custody or Control Legal Liability, or as otherwise stated.

Abandonment

There can be no abandonment of any covered property to us unless we specifically agree to such abandonment in writing.

Appraisal

If you and we do not agree on the amount of the loss or damage, either party may make a written demand for an appraisal of the loss or damage. In this event, you will select and pay a competent and impartial appraiser, and we will select and pay a competent and impartial appraiser. The two appraisers will select an umpire. If the appraisers cannot agree on an umpire, either may request that a judge of a court having jurisdiction make the selection. Each appraiser will separately state the value of the property and the amount of the loss or damage. If the appraisers do not agree, they will submit their statements to the umpire. Agreement by the umpire and either of the appraisers will be binding on you and us.

You and we will equally share any other appraisal costs and the costs of the umpire.

If there is an appraisal, we will still retain our right to deny the claim.

**Concealment Or
Misrepresentation**

This insurance is void if you or any other insured intentionally conceals or misrepresents any material fact or circumstance relating to this insurance at any time.

Coverage Territory

This insurance applies anywhere within and **in transit** within and between the contiguous United States of America, Canada, the States of Hawaii and Alaska, Puerto Rico and the territories or possessions of the United States of America or Canada, excluding:

- A. coastwise waterborne shipments to or from Alaska;
- B. intercoastal waterborne shipments via the Panama Canal; and
- C. waterborne shipments to or from:
 - 1. the State of Hawaii;
 - 2. Puerto Rico; and
 - 3. territories or possessions of the United States of America or Canada.

The Coverage Territory for:

- Dependent Business Premises Additional Coverage;
- Exhibition, Fair Or Trade Show Additional Coverage; and
- Mobile Communication Property Additional Coverage,

is worldwide.

Conditions

(continued)

Insured's Duties In The Event Of Loss Or Damage

You must see to it that the following are done in the event of loss or damage:

- Notify us, or one of our authorized representatives, as soon as possible, as to what occurred. Include a description of the property involved, the time and place of the loss or damage, and names and addresses of available witnesses. If there has been loss or damage that may result in a loss under any Business Income or Extra Expense Insurance, notify us by telephone, telegraph or facsimile at our expense.
- Notify the police if a law may have been violated.
- Take every reasonable step to protect the covered property from further loss or damage, and keep a record of your expenses necessary to protect such covered property for consideration in the settlement of the claim. This will not increase any Limit Of Insurance. However, we will not pay for any subsequent loss or damage resulting from a peril that is not a covered peril. Also, if feasible, set the lost or damaged property aside and in the best possible order for examination.
- If you intend to continue your business, you must resume all or part of your operations as quickly as possible.
- File with us, or with our authorized representative, sworn proof of loss within 90 days after the date of loss or damage.
- Cooperate with us in the investigation, settlement or handling of any claim.
- Authorize us to obtain records or reports necessary for our investigation.
- At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss or damage claimed.
- As often as may be reasonably required, permit us to inspect the damaged and undamaged property and examine your books and records.
- Permit us to take samples of the damaged and undamaged property for inspection, testing and analysis, and permit us to make copies of your books and records.
- Permit us to examine any insured under oath, outside the presence of any other insured at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

Failure of an agent or one of your employees (other than an officer, or other person holding a position created by your organization's charter, constitution, bylaws or other governing document) to notify us of any loss or damage that such agent or employee knows about will not affect the insurance afforded you by this policy.

Joint Loss Agreement

- A. This condition is intended to facilitate payment in the event of loss or damage to property that is covered by:
1. this insurance; and
 2. Boiler and Machinery insurance issued by a different insurer; and
- when there is agreement between the insuring companies as to the existence of coverage, but a disagreement as to the amount of the loss or damage to be paid by each insuring company.

CHUBB®**Property/Business Income
Conditions And Definitions****Conditions****Joint Loss Agreement
(continued)**

- B. The provisions of paragraph C. of this condition apply only if all of the following requirements are met:
1. the Boiler and Machinery insurance contains a provision with substantially the same requirements and procedures as contained in this condition;
 2. the loss or damage to the covered property was caused by a peril for which both we and the other insurer admit some liability for payment under the respective policies;
 3. the total amount of the loss or damage is agreed upon by you, us and the other insurer;
 4. we and the Boiler and Machinery insurer disagree as to the amount of loss or damage that each should pay for the lost or damaged covered property; and
 5. the named insured is the same under both policies.
- C. If the requirements listed in Paragraph B. above are satisfied, we and the Boiler and Machinery insurer will make payments as follows:
1. we will pay, upon your written request, the entire amount for loss or damage that we have agreed upon as being covered solely by this insurance and one-half (1/2) the amount of loss or damage about which we and the other insurer disagree;
 2. the Boiler and Machinery insurer will pay, upon your written request, the entire amount of loss or damage agreed upon as being covered solely by the Boiler and Machinery insurance and one-half (1/2) the amount of loss or damage about which we and the other insurer disagree;
 3. the amount in disagreement to be paid by us under this condition shall not exceed the amount payable under the Loss Adjustment Condition of the Boiler and Machinery insurance;
 4. the amount to be paid under this condition shall not exceed the amount we would have paid had no Boiler and Machinery insurance been in effect at the time of loss or damage;
 5. acceptance by you of payments under this condition does not alter, waive or surrender any of our rights under this policy; and
 6. we and the other insurer agree to submit our differences to arbitration within 90 days after payment, and you agree to cooperate with any arbitration proceedings. There will be three arbitrators: one will be appointed by us, and the second will be appointed by the other insurer. Then, the two arbitrators will select a third arbitrator. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. A decision agreed to by any two of the three arbitrators will be binding on us and the other insurer. Judgment on any award may be sought in any court having jurisdiction.

Legal Action Against Us

No legal action may be brought against us unless:

- there has been full compliance with all the terms of this insurance; and
- the action is brought within three years after the date on which the direct physical loss or damage occurred.

Conditions

(continued)

Lenders/Loss Payee

If any Loss Payee shown in the Schedule of Mortgagees and Loss Payees is a creditor whose interest in covered property (other than a structure) is established by a written instrument and both you and such Loss Payee have an insurable interest in lost or damaged covered property (other than a structure), we will:

- adjust losses with you; and
- pay any claim for loss or damage jointly to you and to each such Loss Payee, in their order of precedence, as interests may appear.

Each Loss Payee has the right to receive loss payment, even though:

- we denied your claim because you failed to comply with the terms of this insurance; or
- such Loss Payee starts foreclosure or similar actions on the covered property (other than a structure),

if such Loss Payee:

- pays any premium due at our request if you have failed to do so;
- submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
- has notified us of any change in ownership, occupancy or substantial change in risk known to such Loss Payee.

Each Loss Payee's right to receive loss payment is limited to the lesser of the following:

- the actual cash value as described under Loss Payment Basis of the lost or damaged covered property (other than a structure);
- their financial interest in the covered property (other than a structure) as shown in the written evidence; or
- the applicable Limit Of Insurance for covered property (other than a structure) shown in the Declarations.

If we pay any Loss Payee for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this insurance, such Loss Payee's rights:

- will be transferred to us to the extent of the amount we pay; and
- to recover the full amount of the Loss Payee's claim will not be impaired.

At our option, we may pay to any Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

To satisfy the requirements of any Loss Payee shown in the Schedule of Mortgages and Loss Payees, copies of policies or certified copies of policies may be sent to these Loss Payees. In no event are copies of policies sent to Loss Payees to be considered as increasing the Limits Of Insurance shown in the Declarations or changing the terms of this insurance, nor are they to be considered duplicate or contributing insurance.

Liberalization

If we adopt any changes:

- within 60 days prior to the effective date shown in the declarations; or

CHUBB®**Property/Business Income
Conditions And Definitions****Conditions****Liberalization
(continued)**

- during the policy period,
- which could broaden this insurance without an additional premium charge, you will automatically receive the benefit of such change.

Loss Payment

- A. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this insurance, and:
 1. we have reached agreement with you on the amount of loss; or
 2. an appraisal award has been made.
- B. We will not pay you more than your financial interest in the covered property.
- C. We may adjust losses with the owners of lost or damaged covered property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' covered property. We will not pay the owners more than their financial interest in such property.
- D. We may elect to defend you against suits arising from claims of owners of covered property. We will do this at our expense.

**Mortgage Holder –
Buildings**

We will pay for loss or damage to a **building** jointly to you and the mortgage holder shown in the Schedule of Mortgagees and Loss Payees, as interests may appear.

Your mortgage holder has the right to receive loss payment, even though:

- you failed to comply with the terms of this insurance; or
- your mortgage holder starts foreclosure or similar actions on the **building**,

if such mortgage holder:

- pays any premium due at our request if you have failed to do so;
- submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so, and
- has notified us of any change in ownership, occupancy or substantial change in risk known to such mortgage holder.

If we make loss payments to your mortgage holder when you fail to comply with the terms of this insurance, you will have to pay us to the extent we pay the mortgage holder. Your mortgage holder will still have the right to receive the balance of the mortgage debt from you.

We also have the right to take over your mortgage after making loss payment to the mortgage holder. If we do, you will pay your remaining mortgage debt to us.

If you fail to pay your premium, we may request it from your mortgage holder.

The mortgage holder must notify us of any change in ownership known to the mortgage holder.

If we cancel this insurance, we will give written notice to the mortgage holder at least:

- 20 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
- 60 days before the effective date of cancellation, if we cancel for any other reason.

Failure to provide such notice shall not invalidate such cancellation.

Conditions

Mortgage Holder – Buildings (continued)

To satisfy the requirements of any mortgage holder shown in the Schedule of Mortgages and Loss Payees, copies of policies or certified copies of policies may be sent to these mortgage holders. In no event are copies of policies sent to mortgage holders to be considered as increasing the Limits Of Insurance shown in the Declarations or changing the terms of this insurance, nor are they to be considered duplicate or contributing insurance.

No Benefit To Carrier Or Bailee

No person or organization, other than you, having custody of covered property will benefit from this insurance.

Other Insurance

If you have any other insurance covering the same loss or damage as is insured against by this policy, we will only pay for the amount of loss or damage which is insured against by this policy in excess of the amount due from such other insurance, whether you can collect on such other insurance or not.

Recovered Property

If any lost or damaged covered property is recovered by you or us, after a loss payment is made, the party making the recovery must give the other parties prompt notice.

If any covered property that is recovered has a salvage value, we shall control the disposition of such salvage.

When covered property is recovered, you may keep the:

- recovered property and return the loss payment to us; or
- loss payment and we will keep the recovered property.

When any recovered covered property which you choose to keep is in need of repair, we will pay for the repairs subject to the:

- applicable Limit Of Insurance shown in the Declarations; and
- Loss Payment Basis provision, Our Loss Payment Options.

If any covered property that is recovered has a salvage value or if there is any money recovered through subrogation, such recoveries shall be applied, net of the expense of such recovery, in the following order:

- first, to you for any uninsured loss or damage resulting from an insufficient limit of insurance;
- second, to us for any amounts paid in settlement of your claim; and
- third, to you for any deductible amount that you paid or penalties you paid as a result of coinsurance or the **personal property** reporting condition of this insurance, if applicable.

We shall determine the amount of loss or damage on the basis on which it would have been settled had the amount of recovery been known at the time the loss was originally determined.

If there are expenses:

- in recovering any lost or damaged covered property; or
- as a result of subrogation,

we shall share the expense with you and any insurer providing excess insurance in proportion to the amount we are each reimbursed. If there should be no recovery and proceedings are conducted solely by us, we shall bear the expenses of the proceedings.

CHUBB®**Property/Business Income
Conditions And Definitions****Conditions***(continued)***Transfer Of Rights Of
Recovery To Us**

If any person to or for whom we make payment under this insurance has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair our rights.

You may waive your rights against another party in writing:

- A. prior to direct physical loss or damage to covered property; or
- B. after direct physical loss or damage to covered property only if, at the time of direct physical loss or damage, that party is one of the following:
 1. someone insured by this insurance;
 2. an individual who owns or controls the majority of capital stock of your business;
 3. a related business firm majority-owned or controlled by you, or that owns or controls the majority of the capital stock of your business; or
 4. your tenant.

This will not restrict your insurance.

Definitions

When used with respect to insurance under this policy:

Accounts Receivable

Accounts receivable means:

- the money due you that you are unable to collect from customers;
- interest charges on any loan that you secure to offset your reduced cash flow; and
- additional collection costs.

**Accounts Receivable
Records**

Accounts receivable records means accounting records, including support records such as invoices and accounting records in any form, used to control and document the collection of money due from customers.

**Alternative Power
Generating Equipment**

Alternative power generating equipment means equipment that has been certified pursuant to **green standards**, which is used in:

- solar energy systems;
- wind energy systems;
- geothermal energy systems;
- low impact hydroelectric systems; or
- any other system that generates electricity from renewable resources.

Definitions*(continued)***Alternative Water System**

Alternative water system means equipment situated above or below ground which is used to collect and circulate gray water, ground water or rain water to the domestic, non-potable water supply of a **building** or to water treatment facilities or outside irrigation facilities at the premises shown in the Declarations.

Alternative water system does not include underground pipes or sprinkler heads intended solely for landscape irrigation.

Blank Media

Blank media means the blank medium upon which **electronic data** is recorded, but not **electronic data** itself.

Bonus Payments

Bonus payments means that portion of any cash bonus you paid based on the percentage of your lease remaining at the time of direct physical loss or damage.

Bonus payments does not mean rent, securities or cash bonuses refunded to you, even if you prepaid the rent or security.

Building

Building means:

- a structure;
- foundations or supports below the surface of the lowest floor or basement;
- **building components**;
- completed additions;
- additions to the structure under construction; and
- alterations and repairs to the structure.

Building does not mean:

- land, water or air, either inside or outside of a structure;
- dams;
- dikes;
- paved or concrete surfaces;
- underground mines or mine shafts or any property within such underground mines or mine shafts;
- retaining walls;
- **outdoor trees, shrubs, plants or lawns**; or
- any structure you do not own, occupy and are not legally or contractually required to insure, except with respect to the Dependent Business Premises and Loss Of Utilities Additional Coverages.

Building Components

Building components means:

- glass forming a part of a structure;

CHUBB®**Property/Business Income
Conditions And Definitions****Definitions****Building Components
(continued)**

- **personal property** consisting of materials, machinery, equipment, supplies and temporary structures used for making additions or repairs to a structure;
- indoor or outdoor fixtures, whether above or below ground;
- machinery or equipment permanently installed in or on a structure; and
- **personal property** used to maintain or service a structure or its premises.

Business Income**Business income** means:

- A. net profit or loss, including rental income from tenants and net sales value of production, that would have been earned or incurred before income taxes;
- B. your continuing normal:
 1. operating; and
 2. payroll, expenses;
- C. charges you incur which are the legal obligation of your tenant which would otherwise be your obligations; and
- D. the cost you are required to pay to rent temporary premises when that portion of the premises shown in the Declarations occupied by you is untenable, not to exceed the fair rental value of such untenable portion of the **building** you occupy.

Business income does not mean bank interest or investment income.**Communication Property****Communication property** means:

- analog, digital or fiber optic communication equipment; or
- other equipment used to interactively communicate with others through voice, picture, video or writing,

you own or in your care, custody or control.

Contractors' Equipment**Contractors' equipment** means contractors' machinery and equipment, including accessories, tools and spare parts for the contractors' machinery and equipment, usual to your business, which you own, lease or borrow, and for which you are legally liable.**Contractors' equipment** does not mean:

- aircraft or watercraft;
- motor vehicles required to be licensed for highway use, except motor vehicles on which your contractors' machinery or equipment is permanently mounted;
- **personal property**;
- property while underground, except while **in transit** through vehicular or railroad tunnels;
- office equipment, which is the contents of trailers;

Definitions

Contractors' Equipment (continued)

- property while waterborne or while being loaded or unloaded for waterborne transit, except while **in transit** on public ferries or car floats for hire;
- property while leased or loaned to others;
- property while on any platform anchored, permanently or temporarily, in any body of water;
- **mobile communication property**; or
- **electronic data processing property**.

Covered Peril

Covered peril means a peril covered by the Form(s) shown in the Property Insurance Schedule Of Forms, except Care, Custody Or Control Legal Liability, applicable to the lost or damaged **property**.

For the purposes of:

- **personal property of a dependent business premises**;
- **personal property of a utility**; or
- **service property**,

covered peril means a peril covered by the Building and Personal Property Contract included in this policy applicable to **building or personal property** at a premises shown in the Declarations.

Dependent Business Premises

Dependent business premises means premises operated by a person or organization other than you on whom:

- you; or
- others,

depend to:

- deliver materials or services to you or to others for your account (contributing premises);
- accept your products or services (recipient premises);
- manufacture products for delivery to you or your customers under contract of sale (manufacturing premises); or
- attract customers to your business (leader premises).

Dependent business premises does not mean any:

- A. premises operated by others on whom you or others depend to:
 1. deliver utility services to you; or
 2. accept utility services from you; or
- B. premises of **on-line access** providers.

Electronic Data

Electronic data means software, data or other information that is in electronic form.

Electronic Data Processing Equipment

Electronic data processing equipment means:

- computers or computer peripherals;

CHUBB®**Property/Business Income
Conditions And Definitions****Definitions****Electronic Data
Processing Equipment
(continued)**

- climate control and protection equipment used solely for electronic data processing operations;
- separately identifiable and removable component computer devices that are attached to covered property and are designed to control such property, but not the property itself; and
- **blank media.**

**Electronic Data
Processing Property****Electronic data processing property means:**

- **electronic data;**
- **electronic data processing equipment;**
- **mobile communication property;** and
- **communication property.**

Electronic data processing property does not mean:

- property held for sale or distribution;
- property that has been sold;
- property in the course of manufacture;
- **contractors' equipment;** or
- **mobile equipment.**

**Electronic Data
Recovery Costs****Electronic data recovery costs means the reasonable and necessary costs you incur to:**

- copy, re-create, replace or retrieve **electronic data** you own or use, or which resides on a system you own or lease; and
- restore a system you own or lease to the functionality that existed prior to the **malicious programming.**

Electronic data recovery costs does not include the cost to repair or replace **electronic data processing equipment or **communication property** which suffers direct physical loss or damage.****Extra Expense****Extra expense means necessary expenses you incur:**

- A. in an attempt to continue **operations**, over and above the expenses you would have normally incurred; and
- B. to repair or replace any **property**, or to research or restore the lost information on damaged **valuable papers**, records and media, if such action will reduce any loss we would pay under this insurance.

Paragraph B. does not apply to Fungus Clean-up Or Removal Premises Coverage.

Definitions*(continued)***Fine Arts****Fine arts** means:

- paintings, rare books, sculptures, manuscripts, pictures, prints, etchings, drawings, tapestries, bronzes, statuary, potteries, porcelains, marbles and other bona fide works of art; or
- other items of rarity or historical value.

Finished Stock**Finished stock** means goods manufactured by you or on your behalf which are in their completed state and ready for sale.**Finished stock** does not include goods manufactured by you or on your behalf which are in their completed state and ready for sale on the premises of any retail outlet.**Flood****Flood** means:

- waves, tidal water or tidal waves; or
- rising or overflowing or breaking of any boundary,

of natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans, or any other body of water or watercourse, whether driven by wind or not.

Flood does not include:

- a **specified peril** that ensues from flood; or
- tsunami resulting from earthquake.

Fungus**Fungus** means any:

- A.
 1. mildew, mold or other fungi;
 2. other microorganisms; or
 3. any mycotoxins, spores, or other by-products of the foregoing; or
- B. colony or group of any of the foregoing.

Green Expenses**Green expenses** means necessary and incurred expenses to:

- hire professionals accredited pursuant to **green standards** to participate in the repair or replacement of the covered property;
- register and certify the repair or replaced covered property pursuant to **green standards**;
- dispose of debris, certified pursuant to green standards, at recycling facilities, if such debris can be recycled; and
- ventilate the repaired or replaced covered property in a manner consistent with **green standards**.



Property/Business Income Conditions And Definitions

Definitions

(continued)

Green Standards

Green standards means:

- the LEED[®] Green Building Rating System[™] of the United States Green Building Council;
- requirements of the Green Globes[®] Assessment And Rating System of the Green Building Initiative;
- Energy Star[®] qualified requirements; or
- other site development, water savings, energy efficiency, materials or equipment selection and other environmental quality standards for the design and construction of property.

Insider

Insider means a person, organization or computer you have expressly authorized to access a system.

In Transit

In transit means being shipped by air, surface or waterborne conveyance from the time beginning:

- when, if shipped from your premises in or on conveyances you own, lease or operate, the property departs your premises;
- when, if shipped from premises of others in or on conveyances you own, lease or operate, the property is transferred into your care, custody or control; or
- when the property is actually moved from the point of shipment bound for a specified destination, if shipped in or on any other conveyance;

and ending:

- when the property is accepted by, or on behalf of, the consignee at the intended destination;
- when the property is accepted by, or on behalf of, the consignee at any intermediate point short of reaching the original intended destination;
- at such point where you, or the owner of the property if other than you, order the property stopped and held pending instructions. However, this does not apply to property while in the custody of a carrier for hire and which is being held at a location other than the intended destination by such carrier's "on-hand" department for a period not to exceed 30 days; or
- when, if shipped to your premises in or on conveyances you own, lease or operate, the property arrives at your premises.

The expiration date of this policy will not cut short the duration of transit.

In transit includes ordinary, reasonable, and necessary stops, interruptions, delays, or transfers incidental to the route and method of shipment, but not while at premises you own, lease or operate. **In transit** also includes the period of time during which:

- there is a substantial and unauthorized deviation from the normal route by a carrier for hire; or
- the contract of carriage is, without your knowledge, abandoned en route by a carrier for hire, its agent, or its driver.

In transit does not mean:

- A. property shipped by mail, unless shipped by registered mail;

Definitions

In Transit (continued)

- B. import shipments, within the Coverage Territory, until such time as ocean marine insurance has ceased to cover such property;
- C. export shipments once:
 - 1. loaded on board any steamer or other watercraft; or
 - 2. ocean marine insurance has begun to cover such property, whichever occurs first; or
- D. property owned by others when you are acting as a carrier for hire.

Malicious Programming

Malicious programming means an illegal or malicious entry into **electronic data** or a **system** which results in functions that:

- distort;
- corrupt;
- manipulate;
- copy;
- delete;
- destroy;
- slow down; or
- prevent the use of,

such **electronic data** or **system**.

Malicious programming does not mean:

- theft of telephone services; or
- direct physical loss or damage to **electronic data processing property** or **mobile communication property**.

Market Value

Market value means the price which the **fine arts** might be expected to realize if offered for sale in a fair market on the date of loss or damage.

Mechanical Or Electrical System Or Apparatus

Mechanical or electrical system or apparatus means any:

- boiler, fired pressure vessel, unfired pressure vessel normally subject to vacuum or internal pressure other than the weight of its contents;
- refrigeration vessels;
- air conditioning vessels;
- mechanical or electrical machine or apparatus used to generate, transmit or otherwise use mechanical or electrical power; and
- piping, cable and accessory equipment connected to any of the foregoing.

Mechanical or electrical system or apparatus does not mean any:

- A. part of a boiler or fired vessel or electric steam generator that does not contain steam or water;

CHUBB®**Property/Business Income
Conditions And Definitions****Definitions****Mechanical Or Electrical
System Or Apparatus
(continued)**

- B. insulating or refractory material;
- C. non-metallic vessels, unless constructed in accordance with the American Society of Mechanical Engineers;
- D. glass linings of vessels, equipment, machines and apparatus;
- E. catalyst;
- F. piping, vessels or cables, not enclosed in conduit, buried directly in the ground;
- G. sewer piping;
- H. sprinkler system piping or water piping other than:
 1. feedwater piping between any steam boiler and its feed pumps or injectors;
 2. steam boiler condensate return piping; and
 3. water piping interconnecting vessels forming part of a refrigeration or air conditioning system used for cooling, humidifying or space heating;
- I. structure, foundation, cabinet or compartment containing or supporting any vessel, equipment, machine or apparatus;
- J. die, extrusion plate, or any other expendable item that is part of or used with any vessel, equipment, machine or apparatus;
- K. vessel, equipment, machine or apparatus manufactured by you for sale;
- L. power shovel, dragline or excavation vehicle (whether or not licensed for road use);
- M. aircraft;
- N. floating vessel or structure;
- O. penstock, draft tube or well casings;
- P. crane booms and cables, but not excluding any driving mechanical or electrical system or apparatus; or
- Q. cylinder not sealed in PVC (polyvinyl chloride) protection, containing a movable plunger or piston, mounted on or forming a part of an elevator or hoist.

When a vessel uses a heat transfer medium other than water or steam, we will consider the medium used and its vapor as substitutes for the words "water" or "steam".

Merchandise

Merchandise means goods:

- held for sale by you; or
- manufactured by you and ready for sale on the premises of any retail outlet.

**Mobile Communication
Property**

Mobile communication property means:

- cellular telephone;
- laptop computers;
- pagers;
- personal digital assistants;

Definitions

Mobile Communication Property (continued)

- mobile hand held global positioning systems; and
- other hand held communication devices.

Mobile communication property does not mean:

- communication devices or parts held for sale or distribution;
- communication devices or parts that have been sold;
- communication devices or parts in the course of manufacture;
- **electronic data processing equipment;**
- **electronic data;**
- **communication property;**
- **contractors' equipment;** or
- **mobile equipment.**

Mobile Equipment

Mobile equipment means machinery and equipment, including accessories, tools and spare parts for the machinery and equipment, usual to your business which you own, lease or borrow, and for which you are legally liable.

Mobile equipment does not mean:

- aircraft or watercraft;
- motor vehicles required to be licensed for highway use, except motor vehicles on which your machinery or equipment is permanently mounted;
- **personal property;**
- property while underground, except while **in transit** through vehicular or railroad tunnels;
- office equipment, which is the contents of trailers;
- property while waterborne or while being loaded or unloaded for waterborne transit, except while **in transit** on public ferries or car floats for hire;
- property while leased or loaned to others;
- property while on any platform anchored, permanently or temporarily, in any body of water;
- **mobile communication property;** or
- **electronic data processing property.**

Money

Money means:

- currency, coins, bank notes or bullion;
- food stamps;
- checks or drafts drawn on any account; or
- travelers checks, registered checks and money orders, held for sale to the public.

CHUBB®

Property/Business Income Conditions And Definitions

Definitions

(continued)

Non-Owned Detached Trailers

Non-owned detached trailers means trailers that you do not own that:

- are used in your business; and
- are in your care, custody or control.

Non-owned detached trailers does not mean:

- trailers attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion; or
- trailers during hitching or unhitching operations, or when trailers become accidentally unhitched from a motor vehicle or motorized conveyance.

Occurrence

Occurrence means:

- A. for earthquake, including any resulting tsunami:
 - 1. one earthquake; or
 - 2. a series of earthquake shocks occurring within any period of 168 hours;
- B. for volcanic eruption:
 - 1. one volcanic eruption; or
 - 2. a series of volcanic eruptions occurring within any period of 168 hours;
- C. for windstorm involving, in whole or in part, any of the perils of weather:
 - 1. one weather event; or
 - 2. a series of related weather events; or
- D. for all other perils:
 - 1. one event; or
 - 2. a series of causally related events that:
 - a. contribute concurrently to; or
 - b. contribute in any sequence to,
 the loss or damage.

For the purposes of this definition:

- earthquake does not include a **specified peril** that ensues from earthquake; and
- any earthquake or volcanic eruption, or series of earthquake shocks or volcanic eruptions, will be deemed to occur at the time of the first shock or eruption.

Off Premises

Off premises means:

- in the custody of an armored motor vehicle company; or
- in the possession of any person authorized by you, but not while in the mail or in the custody of a carrier for hire other than an armored motor vehicle company.

Definitions*(continued)***On Premises****On premises** means:

- on the premises shown in the Declarations;
- in a bank; or
- in a recognized place of safe deposit.

On-Line Access**On-line access** means:

- accessing information made available by third parties; or
 - making information available to third parties,
- via computer or other electronic system.

On-line access does not mean processing or storing **electronic data** at a premises operated by a person or organization other than you.

Operations

Operations means your business activities occurring at your premises, including your activities as a lessor of premises, prior to the loss or damage.

Outdoor Trees, Shrubs, Plants Or Lawns

Outdoor trees, shrubs, plants or lawns means outdoor trees, shrubs, plants or lawns you own on the premises shown in the Declarations.

Outdoor trees, shrubs, plants or lawns does not mean:

- outdoor trees, shrubs, plants or lawns that you hold for sale; or
- growing crops.

Outsider

Outsider means a person, organization or computer not authorized to access a **system**.

Overhead Communication, Transmission Or Distribution Equipment**Overhead communication, transmission or distribution equipment** means:

- overhead communication, transmission or distribution lines;
- overhead transformers; or
- other similar overhead communication, transmission or distribution equipment, and all their supporting towers and poles.

Period Of Recovery Of Computer Service**Period of recovery of computer service** means the period of time that:

- for **electronic data recovery costs** and **extra expense**, begins immediately after the **malicious programming** occurs; and
- for **business income**, begins 24 consecutive hours after the **malicious programming** occurs.

Period of recovery of computer service will continue until the earlier of the following:

- the date your **operations** are restored, with due diligence and dispatch, to the condition that would have existed had there been no **malicious programming**; or

CHUBB®**Property/Business Income
Conditions And Definitions****Definitions****Period Of Recovery Of
Computer Service
(continued)**

- 60 days after the date you restore, with due diligence and dispatch, a **system** to the functionality that existed prior to the **malicious programming**.

In determining the condition of **operations** that would have existed had there been no **malicious programming**, no consideration will be given to unfavorable market conditions or competitive advantage gained by others as a result of such **malicious programming**.

Period Of Restoration

Period of restoration means the period of time that, for **business income**, begins:

- A. immediately after the time of direct physical loss or damage by a **covered peril to property**; or
- B. on the date **operations** would have begun if the direct physical loss or damage had not occurred, when loss or damage to any of the following delays the start of **operations**:
 1. new **buildings** whether complete or under construction;
 2. alterations or additions to existing **buildings**; or
 3. **personal property** consisting of materials, machinery, equipment, supplies and temporary structures used in the construction of, or for making additions, alterations or repairs to, the structure.

Period of restoration means the period of time that, for **extra expense**, begins immediately after the time of direct physical loss or damage by a **covered peril to property**.

Period of restoration will continue until your **operations** are restored, with reasonable speed, to the level which would generate the **business income** amount that would have existed if no direct physical loss or damage occurred, including the time required to:

- A. repair or replace the **property**; or
- B. repair or replace the **property** to comply with the minimum standards of any enforceable ordinance or law that:
 1. regulates the repair or replacement of any **property**;
 2. requires the tearing down of parts of any **property** not damaged by a **covered peril**; and
 3. is in force prior to the date of the direct physical loss or damage,

not to exceed the applicable number of days shown as Extended Period in the Declarations, beginning on the date that:

- for manufacturing risks, the lost or damaged **property** is actually repaired or replaced and production capability is restored to the level that existed prior to the date the direct physical loss or damage occurred; or
- for all other risks, the lost or damaged property is actually repaired or replaced and your operations are restored.

The expiration date of this policy will not cut short the **period of restoration**.

If loss or damage occurs at a:

- **dependent business premises**; or

Definitions

Period Of Restoration (continued)

• utility,
for the purpose of determining **period of restoration** following such loss or damage, **property** includes:

- **personal property of a utility;** or
- **personal property of a dependent business premises.**

In determining the **business income** amount that would have existed if no direct physical loss or damage occurred, we will reduce such amount to the extent necessary to reflect unfavorable economic conditions attributable to the impact the **covered peril** had in the geographic area where the lost or damaged **property** is located.

Period of restoration does not include any increased period required to comply with any ordinance or law:

- you were required to comply with before the direct physical loss or damage;
- involving any property outside the legal boundary of the premises shown in the Declarations;
- that regulates the repair or replacement of any property that was lost or damaged by an excluded peril. If direct physical loss or damage is caused by or results from both a **covered peril** and an excluded peril, the **period of restoration** only includes the length of time required to repair or replace the property lost or damaged by a **covered peril**; or
- that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **fungus** or **pollutants**, except as provided under the Fungus Clean-up Or Removal Premises Coverage or the Pollutant Clean-up Or Removal Additional Coverage.

Personal Property

Personal property means:

- all your business personal property;
- business personal property you lease;
- **personal property of others;**
- labor, materials and services furnished or arranged by you on **personal property of others;**
- signs, fixtures, glass and other **tenant's improvements and betterments;** and
- glass in **buildings** you do not own if you are legally or contractually required to maintain such glass.

Personal property does not mean:

- **building**, except **tenant's improvements and betterments** and glass in **buildings** you do not own if you are legally or contractually required to maintain such glass;
- land, water or air, either inside or outside of a structure;
- retaining walls;
- growing crops;
- **outdoor trees, shrubs, plants or lawns;**
- vehicles or machines required to be licensed for use on public roads;
- trailers;
- **contractors' equipment;**

CHUBB®**Property/Business Income
Conditions And Definitions****Definitions****Personal Property
(continued)**

- self-propelled watercraft, or any other watercraft over 50 feet in length, in water;
- aircraft, except aircraft manufactured, processed, warehoused or held for sale while on the ground;
- **electronic data;**
- **money or securities;**
- personal property sold under a conditional sale or trust agreement or an installment or deferred payment plan after delivery to customers, except as provided under the Deferred Payments Additional Coverage;
- import shipments prior to either discharge from aircraft or oceangoing vessel or termination of the risk assumed by cargo insurance;
- export shipments after either being loaded on aircraft or oceangoing vessel or having come under the protection of cargo insurance;
- animals, except animals owned by others and boarded by you or animals owned by you and held for sale;
- any personal property which is in or below underground mines or mine shafts; or
- **mobile communication property.**

**Personal Property Of A
Dependent Business
Premises**

Personal property of a dependent business premises means business personal property owned or leased by a **dependent business premises**.

Personal property of a dependent business premises does not mean:

- **building;**
- land, water or air, either inside or outside of a structure;
- retaining walls;
- growing crops;
- **outdoor trees, shrubs, plants or lawns;**
- vehicles or machines required to be licensed for use on public roads;
- trailers;
- **contractors' equipment;**
- self-propelled watercraft, or any other watercraft over 50 feet in length, in water;
- aircraft, except aircraft manufactured, processed, warehoused or held for sale while on the ground;
- **electronic data;**
- **money or securities;**
- personal property sold under a conditional sale or trust agreement or an installment or deferred payment plan after delivery to customers;
- animals;

Definitions

Personal Property Of A Dependent Business Premises (continued)

- any personal property which is in or below underground mines or mine shafts; or
- **mobile communication property.**

Personal Property Of Employees

Personal property of employees means personal property owned or leased by your employees and in your care, custody or control.

Personal property of employees does not mean:

- **building;**
- land, water or air, either inside or outside of a structure;
- retaining walls;
- growing crops;
- **outdoor trees, shrubs, plants or lawns;**
- vehicles or machines required to be licensed for use on public roads;
- trailers;
- **contractors' equipment;**
- self-propelled watercraft, or any other watercraft over 50 feet in length, in water;
- aircraft, except aircraft manufactured, processed, warehoused or held for sale while on the ground;
- **electronic data;**
- **money or securities;**
- personal property sold under a conditional sale or trust agreement or an installment or deferred payment plan after delivery to customers;
- import shipments prior to either discharge from aircraft or oceangoing vessel or termination of the risk assumed by cargo insurance;
- export shipments after either being loaded on aircraft or oceangoing vessel or having come under the protection of cargo insurance;
- animals, except animals owned by your employee and boarded by you;
- any personal property which is in or below underground mines or mine shafts; or
- **mobile communication property.**

Personal Property Of Others

Personal property of others means personal property not owned by you and in your care, custody or control.

Personal property of others does not mean:

- business personal property you lease; or
- **personal property of employees.**

CHUBB®**Property/Business Income
Conditions And Definitions****Definitions***(continued)***Personal Property Of A
Utility****Personal property of a utility** means personal property owned or leased by a utility.**Personal property of a utility** does not mean:

- **building;**
- **land, water or air, either inside or outside of a structure;**
- **retaining walls;**
- **growing crops;**
- **outdoor trees, shrubs, plants or lawns;**
- **vehicles or machines required to be licensed for use on public roads;**
- **trailers;**
- **contractors' equipment;**
- **self-propelled watercraft, or any other watercraft over 50 feet in length, in water;**
- **aircraft;**
- **electronic data;**
- **money or securities;**
- **personal property sold under a conditional sale or trust agreement or an installment or deferred payment plan after delivery to customers;**
- **animals;**
- **any personal property which is in or below underground mines or mine shafts; or**
- **mobile communication property.**

Pollutants**Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fibers, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.**Pollutants** does not mean **fungus**.**Prepaid Rent****Prepaid rent** means that portion of any prepaid rent you paid based on the percentage of your lease remaining at the time of direct physical loss or damage.**Prepaid rent** does not mean the customary rent due at the beginning of any rental period.**Property****Property** means:

- **building;**
- **personal property;**
- **personal property of employees;**
- **electronic data processing property;**
- **valuable papers;**

Definitions

Property (continued)

- **fine arts; or**
- **research and development property.**

Prototypes

Prototypes mean a first or original model of a new type of design.

Raw Stock

Raw stock means material in the state in which you receive it for conversion into **finished stock**.

Rental Income

Rental income means:

- A. net profit or loss that would have been earned or incurred, before income taxes, from the rental income from tenant occupancy of the premises shown in the Declarations;
- B. your continuing normal:
 1. operating; and
 2. payroll,
 expenses that you incur solely from tenant occupancy of the premises shown in the Declarations;
- C. charges you incur which are the legal obligation of your tenant(s) which would otherwise be your obligations; and
- D. the cost you are required to pay to rent temporary premises when that portion of the premises shown in the Declarations occupied by you is untenable, not to exceed the fair rental value of such untenable portion of the **building** you occupy.

Rental income does not mean bank interest or investment income.

Research And Development Income

Research and development income means:

- grants, endowments and other financial contributions made to you pursuant to written agreements to further **research and development operations**; less
- expenses, including any research and development payroll expense, that you do not continue to incur, due to the actual impairment of such **research and development operations**,

provided you:

- report the value of such agreements to us by the inception of this policy;
- report the value of any agreements executed after the inception of this policy to us within 90 days of their execution;
- report any amendments to such agreements that change the value of such agreements within 90 days of the execution of such amendments; and
- continue your **research and development operations**.

Except as provided under the Newly Acquired Research And Development Income Premises Coverage, insurance for agreements executed after the inception of this policy will begin on the date you report the values for such agreements to us.

CHUBB®

Property/Business Income Conditions And Definitions

Definitions

(continued)

Research And Development Operations

Research and development operations means your business activities occurring at your premises, which are directly related to the development of new products or enhancement of existing products.

Research And Development Property

Research and development property means:

- written, printed or inscribed documents, plans, records or formulas;
- processes or cultures and resulting products, samples or other materials produced by such processes or cultures; and
- **prototypes,**

if produced and directly associated with your **research and development operations**.

Research and development property does not mean:

- animals;
- **money or securities;**
- property held for sale or held for delivery after sale;
- goods you have manufactured which are in their completed state and ready for sale; or
- **mobile communication property.**

Robbery Of Money Or Securities

Robbery of money or securities means the unlawful taking of **money or securities** from:

- you;
- your partner;
- your employee; or
- any other person authorized by you to have custody of the **money or securities,**

by violence, threat of violence or any other overt felonious act committed in the presence and with cognizance of any such person.

Securities

Securities means:

- all negotiable and nonnegotiable instruments or contracts that represent either **money** or other property held by you in any capacity;
- revenue and other stamps in current use, tokens or tickets; and
- property of others that you hold as a pledge or as collateral for a loan.

Securities does not mean **money**.

Security Software

Security software means software or other computer applications or programming principally designed to detect, prevent or mitigate **malicious programming**.

Definitions*(continued)***Service Property**

Service property means property outside of a **building**, owned or leased by you and used either on or off the premises shown in the Declarations, to supply such premises with water, communication, power, natural gas or sewage treatment service.

Sinkhole Collapse

Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite.

Sinkhole collapse does not mean:

- the cost of filling land; or
- the sinking or collapse of land into man-made cavities.

Specified Peril

Specified peril means:

- aircraft or self-propelled missiles;
- explosion;
- fire;
- leakage from fire protection equipment;
- lightning;
- mine subsidence;
- riot or civil commotion;
- **sinkhole collapse**;
- smoke;
- vandalism;
- vehicles;
- volcanic action; or
- windstorm or hail.

Stock

Stock means:

- goods held in storage or for sale;
- **raw stock**;
- **stock in process**;
- **finished stock**; or
- **merchandise**,

including supplies used in their packing or shipping.

CHUBB®**Property/Business Income
Conditions And Definitions****Definitions***(continued)***Stock In Process**

Stock in process means **raw stock** that has undergone any aging, seasoning, mechanical or other process of manufacture but which has not become **finished stock**.

Sublease Profit

Sublease profit means the net profit you earn through subleasing the **building** or portion of the **building** that you rent for the unexpired term of the canceled lease or sublease, whichever would expire first. This amount is discounted based on the prime rate of interest at the time of direct physical loss or damage for the unexpired term of the canceled lease or sublease.

System

System means a computer and all input, output, processing, storage, off-line media library, and communication facilities which are connected to such computer, provided such computer and facilities are:

- owned and operated by you;
- leased and operated by you; or
- utilized by you pursuant to a written contract.

**Tenant's Improvements
And Betterments**

Tenant's improvements and betterments means fixtures, alterations, installations or additions:

- made a part of a **building** you occupy but do not own; and
- you acquire or make at your expense but cannot legally remove.

Tenant's improvements and betterments does not mean:

- land, water or air, either inside or outside of a structure;
- paved or concrete surfaces;
- retaining walls;
- foundations or supports below the surface of the lowest floor or basement;
- **outdoor trees, shrubs, plants or lawns**; or
- growing crops.

Tenants' Lease Interest

Tenants' lease interest means:

- the difference between the appraised rental value of the leased premises at the time of direct physical loss or damage for the unexpired term of the lease and the actual rent due for the same period, discounted by the prime rate of interest at the time of direct physical loss or damage, for the unexpired term of the canceled lease; or
- the difference between the rent due for the unexpired term of the canceled lease and the rent due under the new lease for that same time period, not to exceed the difference between the actual rent due for the unexpired term of the canceled lease and the appraised rental value of the leased premises for that same period. This difference is discounted by the prime rate of interest at the time of direct physical loss or damage for the unexpired term of the canceled lease.

Definitions*(continued)***Unamortized**

Unamortized means the period of time remaining in your lease at the time of loss or damage divided by the period of time from the date the **tenant's improvements and betterments** were made to the date that your lease expires.

Valuable Papers

Valuable papers means valuable:

- papers, documents, records, negatives, tapes, transparencies;
- original plans, blueprints, specifications or designs; and
- original source material used to enter or program **electronic data**, but not the **electronic data** itself.

Valuable papers does not mean:

- **electronic data**;
- prepackaged software programs; or
- **money or securities**.

Water

Water means water that:

- escapes from processing equipment, plumbing systems, refrigeration systems, cooling systems or heating systems (other than underground storage tanks, underground piping or underground tubing) provided such water is intended to be contained in such processing equipment, plumbing systems, refrigeration systems, cooling systems or heating systems;
- backs up or overflows through sewers, drains or sump;
- seeps or leaks through basements, foundations, roofs, walls, floors or ceilings of any building or other structure; or
- enters doors, windows or other openings in any building or other structure.

Property Insurance Section

Endorsements

CHUBB®**Property Insurance****Endorsement**

Policy Period JULY 1, 2019 TO JULY 1, 2020

Effective Date JULY 1, 2019

Policy Number 3594-16-31 PHL

Insured FC PENNSYLVANIA STADIUM, LLC T/A TALEN ENERGY STADIUM

Name of Company FEDERAL INSURANCE COMPANY

Date Issued AUGUST 1, 2019

This Endorsement applies to the following forms:

PROPERTY/BUSINESS INCOME CONDITIONS & DEFINITIONS

Under Conditions, Loss Payment is deleted and replaced with the following:

Conditions**Loss Payment**

- A. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this insurance, and:
 1. we have reached agreement with you on the amount of loss; or
 2. an appraisal award has been made.
- B. We will not pay you more than your financial interest in the covered property.
- C. We may adjust losses with the owners of lost or damaged covered property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' covered property. We will not pay the owners more than their financial interest in such property.
- D. We may elect to defend you against suits arising from claims of owners of covered property. We will do this at our expense.

Conditions

Loss Payment
(continued)

E. We will give notice of our intentions within 15 days after we receive the sworn proof of loss.

All other terms and conditions remain unchanged.

Authorized Representative



CHUBB®**Property Insurance****Endorsement**

Policy Period JULY 1, 2019 TO JULY 1, 2020

Effective Date JULY 1, 2019

Policy Number 3594-16-31 PHL

Insured FC PENNSYLVANIA STADIUM, LLC T/A TALEN ENERGY STADIUM

Name of Company FEDERAL INSURANCE COMPANY

Date Issued AUGUST 1, 2019

This Endorsement applies to the following forms:

PROPERTY/BUSINESS INCOME CONDITIONS & DEFINITIONS
BUSINESS INCOME WITH EXTRA EXPENSE

**Special Waiting
Period Provision**

A new section called Special Waiting Period Provision is added to the contracts shown above. Wherever used within any property contract or property endorsement contained in this policy, the phrase "normal business hours" is deleted and replaced with "consecutive hours".

All other terms and conditions remain unchanged.

Authorized Representative



CHUBB®**Property Insurance****Endorsement**

Policy Period JULY 1, 2019 TO JULY 1, 2020

Effective Date JULY 1, 2019

Policy Number 3594-16-31 PHL

Insured FC PENNSYLVANIA STADIUM, LLC T/A TALEN ENERGY STADIUM

Name of Company FEDERAL INSURANCE COMPANY

Date Issued AUGUST 1, 2019

This Endorsement applies to the following forms:

BUSINESS INCOME WITH EXTRA EXPENSE

PROPERTY/BUSINESS INCOME CONDITIONS & DEFINITIONS

Under Additional Coverages, and only with respect to any premises shown in the Declarations where a Limit Of Insurance for Loss Of Utilities – Overhead Communication, Transmission Or Distribution Equipment is shown, Loss Of Utilities is deleted and replaced with the following:

Additional Coverages**Loss Of Utilities**

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**, during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Loss Of Utilities shown under Business Income in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to:

- **building**;
- **personal property of a utility** located either inside or outside of a **building**; or
- **service property**,

including **overhead communication, transmission or distribution equipment**, necessary to supply your premises with:

- **water supply**;

Additional Coverages

Loss Of Utilities (continued)

- communication supply;
 - power supply;
 - natural gas supply;
 - sewage treatment; or
 - **on-line access,**
- services.

We will pay such loss provided that the disruption of services:

- is not due to your failure to comply with the terms and conditions of any contract; and
- has been reported to the service provider.

We will not pay for the actual **business income** loss you incur until the:

- applicable waiting period shown in the Declarations for Business Income expires; or
 - applicable waiting period shown in the Declarations for Loss Of Utilities expires; or
 - first 24 normal business hours following the direct physical loss or damage expires,
- whichever is the longer.

This Additional Coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or **flood**.

Limits Of Insurance

Under Limits Of Insurance and only with respect to the premises shown in the Declarations for which a Limit Of Insurance for Loss Of Utilities is shown, the following is added:

Subject to the applicable Limits Of Insurance for Loss Of Utilities, the most we will pay in any **occurrence** for the actual **business income** loss or **extra expense** you incur due to the actual or potential impairment of your **operations** during the **period of restoration** due to direct physical loss or damage by a **covered peril to overhead communication, transmission or distribution equipment**, is the applicable Limit Of Insurance for Loss Of Utilities – Overhead Communication, Transmission Or Distribution Equipment shown in the Declarations.

Any payment we make for Loss Of Utilities – Overhead Communication Transmission Or Distribution Equipment will reduce the applicable Limit Of Insurance for Loss Of Utilities shown in the Declarations by the amount of such payment.

All other terms and conditions remain unchanged.

Authorized Representative





Property Insurance

Endorsement

<i>Policy Period</i>	JULY 1, 2019 TO JULY 1, 2020
<i>Effective Date</i>	JULY 1, 2019
<i>Policy Number</i>	3594-16-31 PHL
<i>Insured</i>	FC PENNSYLVANIA STADIUM, LLC T/A TALEN ENERGY STADIUM
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	AUGUST 1, 2019

This Endorsement applies to the following forms:

BUILDING AND PERSONAL PROPERTY
 BUSINESS INCOME WITH EXTRA EXPENSE
 EXTRA EXPENSE
 MOBILE EQUIPMENT
 PROPERTY/BUSINESS INCOME CONDITIONS & DEFINITIONS
 IMPAIRMENT OF COMPUTER SERVICES-MALICIOUS PROGRAMMING

A new section titled Terrorism Provisions is added to the end of this contract.

Terrorism Provisions

Cap On Certified Terrorism Losses

If:

- aggregate insured losses attributable to one or more **certified acts of terrorism** under the **terrorism law** exceed \$100 billion in a calendar year; and
- we have met our insurer deductible under the **terrorism law**,

we will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

Property Endorsement

(continued)

A new section titled Terrorism Definitions is added.

Terrorism Definitions

- Certified Act Of Terrorism** **Certified act of terrorism** means any act that is certified by the Secretary of the Treasury of the United States to be an act:
- A. of terrorism, a violent act or an act that is dangerous to human life, property or infrastructure; and
 - B. that results in damage:
 - 1. within the **United States**; or
 - 2. outside of the **United States** in the case of:
 - a. an air carrier or vessel as described in the **terrorism law**; or
 - b. the premises of a mission of the United States of America,
- which was committed by an individual or individuals as part of an effort to:
- coerce the civilian population; or
 - influence the policy or affect the conduct of the Government,
- of the **United States**.
- Certified act of terrorism** does not include an act that:
- is committed as part of the course of a war declared by the Congress of the **United States**; or
 - does not result in property and casualty insurance losses that exceed \$5 million in the aggregate and are attributable to all types of insurance subject to the **terrorism law**.

State **State** means any state of the United States of America, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, each of the United States Virgin Islands, and any territory or possession of the United States of America.

Terrorism Law **Terrorism law** means the Terrorism Risk Insurance Act of 2002 as amended.

United States **United States** means:

- a **state**; and
- the territorial sea and the continental shelf of the United States of America, as described in the **terrorism law**.

CHUBB®

Property Insurance

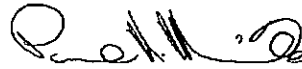
Endorsement

Effective Date JULY 1, 2019

Policy Number 3594-16-31 PHL

~~~~~  
All other terms and conditions remain unchanged.

*Authorized Representative*



**CHUBB®****Property Insurance****Endorsement**

**Policy Period** JULY 1, 2019 TO JULY 1, 2020

**Effective Date** JULY 1, 2019

**Policy Number** 3594-16-31 PHL

**Insured** FC PENNSYLVANIA STADIUM, LLC T/A TALEN ENERGY STADIUM

**Name of Company** FEDERAL INSURANCE COMPANY

**Date Issued** AUGUST 1, 2019

This Endorsement applies to the following forms:

PROPERTY/BUSINESS INCOME CONDITIONS & DEFINITIONS

Under Conditions, the following is added:

**Conditions****Blanket Loss Payee**

For **personal property**, in which both you and a Loss Payee listed as such on a Certificate of Insurance or other document on file with us, have an insurable interest, as evidenced in a written document prior to loss or damage, we will:

- adjust losses with you; and
- pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.

Such Certificate of Insurance or other document does not modify this contract.

All other terms and conditions remain unchanged.

Authorized Representative



**CHUBB®****Property Insurance****Endorsement**

*Policy Period* JULY 1, 2019 TO JULY 1, 2020  
*Effective Date* JULY 1, 2019  
*Policy Number* 3594-16-31 PHL  
*Insured* FC PENNSYLVANIA STADIUM, LLC T/A TALEN ENERGY STADIUM  
*Name of Company* FEDERAL INSURANCE COMPANY  
*Date Issued* AUGUST 1, 2019

This Endorsement applies to the following forms:

BUILDING AND PERSONAL PROPERTY  
 PROPERTY/BUSINESS INCOME CONDITIONS & DEFINITIONS

**SCHEDULE**

Limit Of Insurance: \$ 50,000

Under Additional Coverages, the following is added:

**Additional Coverages****Goods In Transit**

We will pay for:

- direct physical loss or damage to **goods in transit** caused by or resulting from a peril not otherwise excluded; and
  - general average contributions and salvage charges payable according to the York-Antwerp Rules, and where applicable, United States laws and usage,
- not to exceed the applicable Limit Of Insurance for Goods In Transit shown in the Schedule above.



**Additional Coverages***(continued)*

**Free On Board (FOB),  
Free Alongside (FAS),  
Free Carrier-Named  
Place (FCA), & Cost Of  
Freight-Named Port Of  
Destination (CFR)**

We will pay for your interest in goods sold by you on terms of sale which do not obligate you to:

- furnish ocean marine insurance; or
- deliver the goods to or within the country of final destination,

when such goods suffer direct physical loss or damage caused by or resulting from a peril not otherwise excluded.

This insurance attaches at the commencement of loading of such goods onto an overseas conveyance at the point of origin and continues until the first of the following occurs:

- the shipment is delivered to any place of storage other than storage in the ordinary course of transit;
- the risk of loss or damage to the goods passes to the consignee; or
- 30 days pass from the date the shipment arrives at the place where it is to be loaded aboard an overseas conveyance.

Such goods are valued at selling price less unincurred expenses.

**Attachment And Termination**

Only with respect to coverage provided under this endorsement, the following new Section called Attachment And Termination is added:

This insurance applies to shipments of goods made on or after the Effective Date shown in the Declarations and remains in force, unless cancelled.

**Limits Of Insurance****Goods In Transit**

The most we will pay in any **occurrence** is the amount of loss, damage, or associated expense, not to exceed the applicable Limit Of Insurance shown in Schedule above.

Under Deductible, and only with respect to the Goods In Transit, the following is added:

**Deductible****Goods In Transit**

Subject to the applicable Limit Of Insurance, we will pay the amount of loss, damage or associated expense in excess of the Deductible shown in the Schedule above for each **occurrence**. Any Deductible shown in the Declarations does not apply. The Deductible does not apply to general average contributions or salvage charges.

**CHUBB®****Property Insurance****Endorsement****Effective Date** JULY 1, 2019**Policy Number** 3594-16-31 PHL

Under Loss Payment Basis Exceptions, the following is added:

**Loss Payment Basis  
Exceptions****Goods In Transit**

Import goods in transit is valued at landed cost. Export goods in transit is valued at selling price, less unincurred expenses.

Under Conditions, and only with respect to the Goods In Transit, the following is added:

**Conditions****Coverage Territory –  
Goods In Transit**

The Coverage Territory for Goods In Transit Additional Coverage is worldwide.

Under Definitions, the following is added:

**Definitions****Goods In Transit****Goods in transit means:**

- your business personal property; or
- business personal property of others for which you have agreed to provide insurance of the type provided by this policy,

while being:

- A. shipped by or consigned to you, or shipped by or consigned to others for your account and:
  1. sold by you on terms of sale which include ocean marine insurance, or on terms of sale which obligate you to deliver the goods to or within the country of destination;
  2. purchased by you on terms of sale which do not include ocean marine insurance, or on terms of sale which obligate you to take delivery of the goods prior to arrival at or within the country of destination;
  3. purchased or sold by you when written instructions to provide ocean marine insurance are received by you and agreed to prior to shipment from place of origin (including shipments to or from your subsidiaries regardless of terms of sale);
  4. are intracompany shipments; or
  5. for which you have agreed in writing, prior to loss or damage, to provide insurance of the type provided by this policy; and
- B. shipped by metal-hulled, self-propelled vessels, aircraft, and by connecting conveyances by sea, land or air, including by messenger if required.

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## Definitions

### *Goods In Transit* (continued)


**Goods in transit** does not mean:

- contraband or other personal property in the course of illegal transportation or trade;
- currency, coins, bank notes or bullion;
- food stamps;
- checks or drafts drawn on any account;
- travelers checks, registered checks and money orders, held for sale to the public;
- all negotiable and nonnegotiable instruments or contracts that represent either money or other property held by you in any capacity;
- revenue and other stamps in current use;
- tokens; or
- tickets.

Shipping includes loading and unloading.

All other terms and conditions remain unchanged.

Authorized Representative



**CHUBB®****Property Insurance****Endorsement**

*Policy Period* JULY 1, 2019 TO JULY 1, 2020

*Effective Date* JULY 1, 2019

*Policy Number* 3594-16-31 PHL

*Insured* FC PENNSYLVANIA STADIUM, LLC T/A TALEN ENERGY STADIUM

*Name of Company* FEDERAL INSURANCE COMPANY

*Date Issued* AUGUST 1, 2019

This Endorsement applies to the following forms:

BUILDING AND PERSONAL PROPERTY  
PROPERTY/BUSINESS INCOME CONDITIONS & DEFINITIONS

Under Additional Coverages, the following is added:

**Additional Coverages****Paved Surfaces**

We will pay for direct physical loss or damage to paved surfaces caused by or resulting from:

- explosion;
- fire;
- leakage from fire protection equipment;
- lightning;
- riot or civil commotion;
- smoke;
- vandalism;
- volcanic action; or
- windstorm or hail,

not to exceed the applicable Limit Of Insurance for Paved Surfaces shown in the Declarations.

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**Property Insurance**  
(continued)

All other terms and conditions remain unchanged.

Authorized Representative



**CHUBB®****Property Insurance****Endorsement**

*Policy Period* JULY 1, 2019 TO JULY 1, 2020

*Effective Date* JULY 1, 2019

*Policy Number* 3594-16-31 PHL

*Insured* FC PENNSYLVANIA STADIUM, LLC T/A TALEN  
ENERGY STADIUM

*Name of Company* FEDERAL INSURANCE COMPANY

*Date Issued* AUGUST 1, 2019

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This Endorsement applies to the following forms:

BUILDING AND PERSONAL PROPERTY  
PROPERTY/BUSINESS INCOME CONDITIONS AND DEFINITIONS

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SCHEDULE

Bulkheads And Retaining Walls:  
Limit Of Insurance: \$ 3,000,000

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**Policy language follows**

**Additional Coverages**

**Bulkheads And Retaining Walls**

Under Additional Coverages, the following is added:

We will pay for direct physical loss or damage to bulkheads and retaining walls, caused by or resulting from a **named peril**, not to exceed the applicable Limit Of Insurance shown in the Schedule above.

---

**Loss Payment Limitations**

**Bulkheads And Retaining Walls**

Under Loss Payment Limitations, the following is added:

We will not pay for any loss or damage to bulkheads or retaining walls except as provided in the Bulkheads And Retaining Walls Additional Coverage.

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**Definitions**

**Named Perils**

Under Definitions, the following are added:

**Named perils** means:

- aircraft or self propelled missiles;
- explosion;

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- fire;
- leakage from fire protection equipment;
- lightning;
- mine subsidence;
- riot or civil commotion;
- smoke;
- vandalism;
- impact by vehicles or watercraft;
- volcanic action; or
- **windstorm.**

**Windstorm**

**Windstorm means:**

- wind;
- wind-driven rain;
- erosion of soil or other land caused by or resulting from wind or wind driven rain;
- hail; or
- collapse of a building or other structure caused by or resulting from wind, regardless of any other cause or

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

**Windstorm does not mean:**

- frost;
- cold weather;
- snow; or
- sleet or ice (other than hail),



whether driven by wind or not.

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**Definitions**

Property

Under Definitions, the definition of Property is deleted and replaced with the following:

**Property means:**

- **building;**
- **personal property;**
- **personal property of employees;**
- **electronic data processing property;**
- **valuable papers;**
- **fine arts; or**
- **research and development property.**

**Property** does not mean bulkheads or retaining walls.

All other terms and conditions remain unchanged.

*Authorized Representative*



**CHUBB®**

**Property Insurance**

**Endorsement**

*Policy Period* JULY 1, 2019 TO JULY 1, 2020  
*Effective Date* JULY 1, 2019  
*Policy Number* 3594-16-31 PHL  
*Insured* FC PENNSYLVANIA STADIUM, LLC T/A TALEN  
ENERGY STADIUM  
*Name of Company* FEDERAL INSURANCE COMPANY  
*Date Issued* AUGUST 1, 2019

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This Endorsement applies to the following forms:

BUILDING AND PERSONAL PROPERTY

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**Blanket  
Mortgagee/Loss  
Payee**

Additional Insured/Loss Payee/Mortgagee shall include any entity where shown on a Certificate of Insurance or to whom the Named Insured is obligated by written contract or agreement to provide insurance.

All other terms and conditions remain unchanged.

*Authorized Representative*



**CHUBB®****Property Insurance****Endorsement**

**Policy Period** JULY 1, 2019 TO JULY 1, 2020

**Effective Date** JULY 1, 2019

**Policy Number** 3594-16-31 PHL

**Insured** FC PENNSYLVANIA STADIUM, LLC T/A TALEN ENERGY STADIUM

**Name of Company** FEDERAL INSURANCE COMPANY

**Date Issued** AUGUST 1, 2019

This Endorsement applies to the following forms:

**BUILDING AND PERSONAL PROPERTY  
BUSINESS INCOME WITH EXTRA EXPENSE**

**SCHEDULE**

**Policy Annual Aggregate Limit Of Insurance:** \$ 25,000,000

**Premises Limits, Deductible or Waiting Period:**

|                                                      |                      |
|------------------------------------------------------|----------------------|
| <b>Premises Annual Aggregate Limit Of Insurance:</b> | <b>\$ 25,000,000</b> |
| <b>Per Occurrence Limit Of Insurance:</b>            | <b>\$ 25,000,000</b> |
| <b>Property Damage Dollar Deductible:</b>            | <b>\$ 25,000</b>     |
| <b>Waiting Period:</b>                               | <b>24 HOURS</b>      |

**Premises:** 2501 SEAPORT DR AND ONE STADIUM  
CHESTER, PENNSYLVANIA 19013  
COUNTY OF DELAWARE

**Premises:** 2525 SEAPORT DR  
CHESTER, PENNSYLVANIA 19013  
COUNTY OF DELAWARE

**Premises:** 2501 SEAPORT DR  
THE WHARF AT RIVERTOWN  
CHESTER, PENNSYLVANIA 19013  
COUNTY OF DELAWARE

**Policy language follows**

**CHUBB®**

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**CHUBB®****Property Insurance****Endorsement****Effective Date** JULY 1, 2019**Policy Number** 3594-16-31 PHL

Under Exclusions, and only with respect to the premises shown in the Schedule above, the Earthquake exclusion is deleted from the forms shown above.

**Exclusions****Earthquake**

- A. This endorsement applies to the:
1. Premises Coverages;
  2. Additional Coverages; and
  3. Debris Removal Coverage,
- applicable to the premises shown in the Schedule above, only if a Limit Of Insurance for such coverage is shown in the Declarations at such premises shown in the Schedule above.
- B. This endorsement does not apply to:
1. the Additional Coverages for:
    - a. Any Other Location;
    - b. Exhibition, Fair Or Trade Show; or
  2. Newly Acquired Premises; and
  3. any premises not shown in the Schedule above.
- C. The Earthquake exclusion and any **earthquake** limitations are not deleted and remain in effect for:
1. Civil Authority;
  2. Dependent Business Premises;
  3. Fungus Clean-up Or Removal;
  4. Ingress And Egress;
  5. Loss Of Utilities;
  6. Pollutant Clean-up And Removal; and
  7. Prohibition of Access.

**CHUBB®**

Under Limits Of Insurance, and only with respect to the premises shown in the Schedule above and the forms shown above, the following is added:

**Limits Of Insurance****Earthquake****A. Per Occurrence Limit Of Insurance**

Subject to the:

1. Policy Annual Aggregate Limit Of Insurance described in paragraph C. below and shown in the Schedule above;
2. Applicable Premises Annual Aggregate Limit Of Insurance described in paragraph B. below and shown under Premises Limits in the Schedule above; and
3. Applicable Property Damage Dollar Deductible, Property Damage Percentage Deductible or Waiting Period shown under Premises Limits in the Schedule above,

the most we will pay at all premises to which such limit applies, in any **occurrence**, for direct physical loss or damage to property and **business income** or **rental income** loss and **extra expense**, if such coverage is provided, caused by or resulting from **earthquake**, is the lesser of the applicable:

4. Limits Of Insurance shown in the Declarations; or
5. Per Occurrence Limit Of Insurance shown in the Schedule above,
6. contributes concurrently to; or
7. contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

**B. Premises Annual Aggregate Limit Of Insurance**

Subject to the Policy Annual Aggregate Limit Of Insurance, the applicable Premises Annual Aggregate Limit Of Insurance shown in the Schedule above is the most we will pay at all premises to which such limit applies, during any consecutive 12-month period, beginning with the effective date shown in the Declarations, for direct physical loss or damage to property and resulting **business income** or **rental income** loss and **extra expense**, if such coverage is provided, caused by or resulting from **earthquake**, regardless of any other cause or event that directly or indirectly:

1. contributes concurrently to; or
2. contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

**C. Policy Annual Aggregate Limit Of Insurance**

The Policy Annual Aggregate Limit Of Insurance shown in the Schedule above is the most we will pay at all premises shown in the Schedule above during any consecutive 12-month period, beginning with the effective date shown in the Declarations, for direct physical loss or damage to property and resulting **business income** or **rental income** loss and **extra expense**, if such coverage is provided, caused by or resulting from **earthquake**, regardless of any other cause or event that directly or indirectly:

1. contributes concurrently to; or

**CHUBB®****Property Insurance****Endorsement****Effective Date** JULY 1, 2019**Policy Number** 3594-16-31 PHL**Limits Of Insurance****Earthquake  
(continued)**

2. contributes in any sequence to,  
the loss or damage, even if such other cause or event would otherwise be covered.

For the peril of **earthquake**, the deductible provision is deleted:

- only with respect to the forms shown above; and
- for the premises shown in the Schedule above,

and is replaced with the following:

**Deductible**

- A. Under Deductible, and for the premises shown in the Schedule above:
  1. the percentage deductible shown for the applicable premises will apply; or
  2. if no percentage deductible is shown, then the Property Damage Dollar Deductible amount shown for the applicable premises will apply.
- B. In no event will the deductible amount determined above be less than the applicable Property Damage Minimum Dollar Deductible amount shown in the Schedule above.
- C. The most we will pay, in any **occurrence** for direct physical loss or damage to property caused by or resulting from **earthquake**:
  1. after application of Coinsurance, if applicable;
  2. in excess of the applicable Property Damage Percentage Deductible or Property Damage Dollar Deductible shown in the Schedule above; and
  3. for all the applicable property coverages provided in the forms shown above,  
if such loss or damage is caused by or results from **earthquake**, is the lesser of the applicable Limits Of Insurance shown in the Declarations or shown in the Schedule above, regardless of any other cause or event that directly or indirectly:
    4. contributes concurrently to; or
    5. contributes in any sequence to,
 the loss or damage, even if such other cause or event would otherwise be covered.
- D. The applicable deductible shown in the Schedule above applies separately at each premises for each **occurrence**.

**CHUBB®****Deductible**  
(continued)**E. Property Damage Percentage Deductible:**

As used in this endorsement, the terms "specific insurance" and "blanket insurance" have the following meanings:

1. **Specific Insurance** covers each type of coverage under separate specific Limits Of Insurance at one premises (for example: each **building** or **personal property** in a **building**).
2. **Blanket and Loss Limit insurance** covers:
  - a. two or more types of coverage at one or more premises under a single Limit Of Insurance (for example: **building** and **personal property** in that **building** or **buildings** and **personal property** at two or more premises); or
  - b. one type of coverage at two or more premises under a single Limit Of Insurance (for example, **personal property** at two or more premises).

**F. Types of coverages and corresponding Limits Of Insurance are the lesser of the Limits Of Insurance shown in the Declarations or in the Schedule above.****1. Specific Insurance:**

In determining the amount, if any, that we will pay for loss or damage for each specific type of coverage that sustained direct physical loss or damage, we will separately for each type of coverage:

- a. apply the applicable deductible percentage shown in the Schedule above, to the applicable Limit Of Insurance shown in the Declarations; or
- b. if the applicable premises shown in the Schedule above shows Apply Percentage To Statement Of Values, we will multiply the deductible percentage shown in the Schedule above for that premises, by the 100% values you most recently furnished to us for the type of covered property that sustained direct physical loss or damage.

We will pay the loss or damage in excess of such deductible amount determined above, subject to the applicable Limit Of Insurance for each insured type of coverage.

**2. Blanket Insurance and Loss Limit Of Insurance:**

In determining the amount, if any, that we will pay for loss or damage for each premises shown in the Schedule above, we will separately at each premises that sustained loss or damage:

- a. apply the applicable percentage shown in the Schedule above to the sum of:
  - (1) the 100% values you most recently furnished to us for the types of covered property that sustained direct physical loss or damage; and
  - (2) the 100% values you most recently furnished to us for the same types of covered property that did not sustain direct physical loss or damage, but are located at the same premises that sustained loss or damage, to determine the applicable deductible; and
- b. pay the loss or damage in excess of such deductible amount determined above, subject to the applicable Limits Of Insurance for such covered property.



**CHUBB®****Property Insurance****Endorsement****Effective Date** JULY 1, 2019**Policy Number** 3594-16-31 PHL**Deductible**  
(continued)

If a loss involves both specific insurance and blanket insurance, the deductible amount will be determined and apply separately for blanket insurance and separately for specific insurance, subject to their applicable respective Limits Of Insurance.

**G. Property Damage Dollar Deductible:**

The applicable Limits Of Insurance for the property coverages:

1. do not apply until the amount of loss or damage exceeds the applicable deductible amount shown above; and
2. apply in excess of the applicable deductible amount.

For the peril of **earthquake**, the Waiting Period provision is deleted:

- only with respect to the forms shown above;
- for the premises shown in the Schedule above;
- for any premises shown in the Declarations; and
- for any premises not shown in the Schedule above and not shown in the Declarations,

and is replaced by the following:

**Waiting Period**

Following covered direct physical loss or damage to **property** at the premises shown above and at any premises not shown in the Schedule above and not shown in the Declarations, we will pay the amount of **business income** or **rental income** loss that is incurred after the applicable Waiting Period shown in the Schedule above, not to exceed the applicable Limits Of Insurance.

The applicable Waiting Period shown in the Schedule above:

- applies separately for each **occurrence** at each premises and to each type of coverage that sustained direct physical loss or damage;
- begins immediately following the direct physical loss or damage to **property** by a **covered peril**;
- only applies at premises that suffers a **business income** or **rental income** loss; and
- does not apply to **extra expense**.

If no waiting period is shown in the Schedule above, the waiting period will be the:

- applicable waiting period shown in the Declarations or as otherwise shown; or
- first 24 consecutive hours following the direct physical loss or damage,

whichever is longer.

CHUBB®

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Under Definitions, and only with respect to the forms shown above, the following definition is added:

**Definitions**

**Earthquake**

**Earthquake** means earthquake, including any resulting tsunami.

**Earthquake** does not include a **specified peril** that ensues from earthquake.

All other terms and conditions remain unchanged.

Authorized Representative



**CHUBB®****Property Insurance****Endorsement**

**Policy Period** JULY 1, 2019 TO JULY 1, 2020

**Effective Date** JULY 1, 2019

**Policy Number** 3594-16-31 PHL

**Insured** FC PENNSYLVANIA STADIUM, LLC T/A TALEN ENERGY STADIUM

**Name of Company** FEDERAL INSURANCE COMPANY

**Date Issued** AUGUST 1, 2019

This Endorsement applies to the following forms:

BUILDING AND PERSONAL PROPERTY  
 BUSINESS INCOME WITH EXTRA EXPENSE  
 EXTRA EXPENSE  
 MOBILE EQUIPMENT  
 PROPERTY/BUSINESS INCOME CONDITIONS & DEFINITIONS

**SCHEDULE**

Policy Annual Aggregate Limit Of Insurance: **\$ 1,000,000**

**FLOOD INCLUDES INUNDATION, BACK-UP AND MUDFLOW**

Premises Limits, Deductible or Waiting Period:

|                                               |                     |
|-----------------------------------------------|---------------------|
| Premises Annual Aggregate Limit Of Insurance: | <b>\$ 1,000,000</b> |
| Per Occurrence Limit Of Insurance:            | <b>\$ 1,000,000</b> |
| Property Damage Dollar Deductible:            | <b>\$ 500,000</b>   |
| Waiting Period:                               | <b>72 HOURS</b>     |

Premises: 2501 SEAPORT DR AND ONE STADIUM  
 CHESTER, PENNSYLVANIA 19013  
 COUNTY OF DELAWARE

Premises: 2525 SEAPORT DR  
 CHESTER, PENNSYLVANIA 19013  
 COUNTY OF DELAWARE

Premises: 2501 SEAPORT DR  
 THE WHARF AT RIVERTOWN  
 CHESTER, PENNSYLVANIA 19013  
 COUNTY OF DELAWARE

**Policy language follows**

**CHUBB®**

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**CHUBB®****Property Insurance****Endorsement****Effective Date** JULY 1, 2019**Policy Number** 3594-16-31 PHL

Under Exclusions, and only with respect to the premises shown in the Schedule above, the Flood exclusion is deleted from the forms shown above.

**Exclusions****Flood**

A. Except as provided in paragraph E. below, this endorsement applies to the:

1. Premises Coverages;
2. Additional Coverages; and
3. Debris Removal Coverage,

applicable to the premises shown in the Schedule above, only if a Limit Of Insurance for such coverage is shown in the Declarations at such premises shown in the Schedule above.

B. This endorsement does not apply to:

1. the Additional Coverages for:
  - a. Any Other Location;
  - b. Exhibition, Fair Or Trade Show; or
  - c. Newly Acquired Premises; and
2. any premises not shown in the Schedule above.

C. The Flood exclusion and any **flood** limitations are not deleted and remain in effect for:

1. Civil Authority;
2. Dependent Business Premises;
3. Fungus Clean-up Or Removal;
4. Ingress And Egress;
5. Loss Of Utilities;
6. Pollutant Clean-up And Removal; and
7. Prohibition Of Access.

**CHUBB®**

Under Limits Of Insurance, and only with respect to the premises shown in the Schedule above and the forms shown above, the following is added:

**Limits Of Insurance****Flood****A. Per Occurrence Limit Of Insurance**

Subject to the:

1. Policy Annual Aggregate Limit Of Insurance described in paragraph C. below and shown in the Schedule above;
2. Applicable Premises Annual Aggregate Limit Of Insurance described in paragraph B. below and shown under Premises Limits in the Schedule above; and
3. Applicable Property Damage Dollar Deductible, Property Damage Percentage Deductible or Waiting Period shown under Premises Limits in the Schedule above,

the most we will pay at all premises to which such limit applies, in any **occurrence**, for direct physical loss or damage to property and **business income** or **rental income** loss and **extra expense**, if such coverage is provided, caused by or resulting from **flood**, is the lesser of the applicable:

4. Limits Of Insurance shown in the Declarations; or
5. Per Occurrence Limit Of Insurance shown in the Schedule above,
6. contributes concurrently to; or
7. contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

**B. Premises Annual Aggregate Limit Of Insurance**

Subject to the Policy Annual Aggregate Limit Of Insurance, the applicable Premises Annual Aggregate Limit Of Insurance shown in the Schedule above is the most we will pay at all premises to which such limit applies, during any consecutive 12-month period, beginning with the effective date shown in the Declarations, for direct physical loss or damage to property and resulting **business income** or **rental income** loss and **extra expense**, if such coverage is provided, caused by or resulting from **flood**, regardless of any other cause or event that directly or indirectly:

1. contributes concurrently to; or
2. contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

**C. Policy Annual Aggregate Limit Of Insurance**

The Policy Annual Aggregate Limit Of Insurance shown in the Schedule above is the most we will pay at all premises shown in the Schedule above during any consecutive 12-month period, beginning with the effective date shown in the Declarations, for direct physical loss or damage to property and resulting **business income** or **rental income** loss and **extra expense**, if such coverage is provided, caused by or resulting from **flood**, regardless of any other cause or event that directly or indirectly:

1. contributes concurrently to; or

**CHUBB®****Property Insurance****Endorsement****Effective Date** JULY 1, 2019**Policy Number** 3594-16-31 PHL**Limits Of Insurance****Flood**  
(continued)

2. contributes in any sequence to,  
the loss or damage, even if such other cause or event would otherwise be covered.

For the peril of **flood**, the deductible provision is deleted:

- only with respect to the forms shown above; and
- for the premises shown in the Schedule above,

and is replaced with the following:

**Deductible**

- A. Under Deductible, and for the premises shown in the Schedule above:
  1. the percentage deductible shown for the applicable premises will apply; or
  2. if no percentage deductible is shown, then the Property Damage Dollar Deductible amount shown for the applicable premises will apply.
- B. In no event will the deductible amount determined above be less than the applicable Property Damage Minimum Dollar Deductible amount shown in the Schedule above.
- C. The most we will pay, in any **occurrence** for direct physical loss or damage to property:
  1. after application of Coinsurance, if applicable;
  2. in excess of the applicable Property Damage Percentage Deductible or Property Damage Dollar Deductible shown in the Schedule above; and
  3. for all the applicable property coverages provided in the forms shown above,  
if such loss or damage is caused by or results from **flood**, is the lesser of the applicable Limits Of Insurance shown in the Declarations or shown in the Schedule above, regardless of any other cause or event that directly or indirectly:
    4. contributes concurrently to; or
    5. contributes in any sequence to,
 the loss or damage, even if such other cause or event would otherwise be covered.
- D. The applicable deductible shown in the Schedule above applies separately for each **occurrence**.
- E. Property Damage Percentage Deductible:  
As used in this endorsement, the terms "specific insurance" and "blanket insurance" have the following meanings:
  1. Specific Insurance covers each type of coverage under separate specific Limits Of Insurance at one premises (for example: each **building** or **personal property** in a **building**).

**CHUBB®****Deductible**  
(continued)

2. Blanket and Loss Limit insurance covers:
    - a. two or more types of coverage at one or more premises under a single Limit Of Insurance (for example: **building** and **personal property** in that **building** or **buildings** and **personal property** at two or more premises); or
    - b. one type of coverage at two or more premises under a single Limit Of Insurance (for example, **personal property** at two or more premises).
- F. Types of coverages and corresponding Limits Of Insurance are the lesser of the Limits Of Insurance shown in the Declarations or in the Schedule above.
1. Specific Insurance:
 

In determining the amount, if any, that we will pay for loss or damage for each specific type of coverage that sustained direct physical loss or damage, we will separately for each type of coverage:

    - a. apply the applicable deductible percentage shown in the Schedule above, to the applicable Limit Of Insurance shown in the Declarations; or
    - b. if the applicable premises shown in the Schedule above shows Apply Percentage To Statement Of Values, we will multiply the deductible percentage shown in the Schedule above for that premises, by the 100% values you most recently furnished to us for the type of covered property that sustained direct physical loss or damage.

We will pay the loss or damage in excess of such deductible amount determined above, subject to the applicable Limit Of Insurance for each insured type of coverage.
  2. Blanket Insurance and Loss Limit Of Insurance:
 

In determining the amount, if any, that we will pay for loss or damage for each premises shown in the Schedule above, we will separately at each premises that sustained loss or damage:

    - a. apply the applicable percentage shown in the Schedule above to the sum of:
      - (1) the 100% values you most recently furnished to us for the types of covered property that sustained direct physical loss or damage; and
      - (2) the 100% values you most recently furnished to us for the same types of covered property that did not sustain direct physical loss or damage, but are located at the same premises that sustained loss or damage, to determine the applicable deductible; and
    - b. pay the loss or damage in excess of such deductible amount determined above, subject to the applicable Limits Of Insurance for such covered property.

If a loss involves both specific insurance and blanket insurance, the deductible amount will be determined and apply separately for blanket insurance and separately for specific insurance, subject to their applicable respective Limits Of Insurance.
- G. Property Damage Dollar Deductible:
1. The applicable Limits Of Insurance for the property coverages:
    - a. do not apply until the amount of loss or damage exceeds the applicable deductible amount shown above; and



**CHUBB®****Property Insurance****Endorsement****Effective Date** JULY 1, 2019**Policy Number** 3594-16-31 PHL**Deductible**  
(continued)

b. apply in excess of the applicable deductible amount.

- H. Should you have **primary insurance** which insures against loss or damage caused by or resulting from **flood**, if the amount of loss payable under your **primary insurance**:
1. exceeds the **flood** deductible shown in the Schedule above, no deductible shall apply to **flood** under this policy; or
  2. is less than the **flood** deductible shown in the Schedule above,
- we will pay the amount of loss or damage (after deduction for **primary insurance**) in excess of the difference between:
3. the **flood** deductible shown in the Schedule above; and
  4. the amount of loss payable under your **primary insurance**.

For the peril of **flood**, the Waiting Period provision is deleted:

- only with respect to the forms shown above;
- for the premises shown in the Schedule above;
- for any premises shown in the Declarations; and
- for any premises not shown in the Schedule above and not shown in the Declarations,

and is replaced by the following:

**Waiting Period**

Following covered direct physical loss or damage to **property** at the premises shown above and at any premises not shown in the Schedule above and not shown in the Declarations, we will pay the amount of **business income** or **rental income** loss that is incurred after the applicable Waiting Period shown in the Schedule above, not to exceed the applicable Limits Of Insurance.

The applicable Waiting Period shown in the Schedule above:

- applies separately for each **occurrence** and to each type of coverage that sustained direct physical loss or damage;
- begins immediately following the direct physical loss or damage to **property** by a **covered peril**;
- only applies at premises that suffers a **business income** or **rental income** loss; and
- does not apply to **extra expense**.

If no waiting period is shown in the Schedule above, the waiting period will be the:

- applicable waiting period shown in the Declarations or as otherwise shown; or

**CHUBB®****Waiting Period**  
(continued)

- first 24 consecutive hours following the direct physical loss or damage, whichever is longer.

Under Loss Payment Basis, the following is added:

**Loss Payment Basis**

In the event of loss or damage covered by this insurance and **primary insurance**, our valuation will include any difference in loss payment due to a difference in methods of valuation under this insurance and the **primary insurance**.

Under Definitions, the definition of Flood is deleted and replaced with the following:

**Definitions****Flood**

**Flood means:**

- waves, tidal water or tidal waves; or
- rising or overflowing or breaking of any boundary,

of natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans, or any other body of water or watercourse, whether driven by wind or not.

**Flood does not include:**

- a **specified peril** that ensues from flood; or
- tsunami resulting from earthquake.

**Flood includes inundation, back-up and mudflow only when, Flood Includes Inundation, Back-Up And Mudflow is shown under premises in the Schedule above.**

Under Definitions, the following definitions are added:

**Definitions****Inundation, Back-up And Mudflow**

**Inundation, back-up and mudflow means:**

- A. surface water;
- B. mudslide or mudflow;
- C. water under the ground surface pressing on, or flowing or seeping through:
  1. foundations, walls or paved surfaces;
  2. basements, whether paved or not;
  3. doors or windows; or
  4. other pathways, and

any back-up or overflow from a sewer, drain or sump resulting from any of the foregoing.

**CHUBB®**

**Property Insurance**

**Endorsement**

**Effective Date** JULY 1, 2019

**Policy Number** 3594-16-31 PHL

**Definitions**

**Inundation, Back-up And  
Mudflow**  
(continued)

**Inundation, back-up and mudflow** does not mean ensuing loss or damage caused by or resulting from a **specified peril**.

**Primary Insurance**

**Primary insurance** means insurance covering all or any part of the deductible amount stated in the Schedule above and includes insurance provided under the National Flood Insurance Program.

**Primary insurance** also means any other valid and collectible insurance covering any amount in excess of the deductible amount stated in the Schedule above, but does not mean any insurance provided by this policy.

All other terms and conditions remain unchanged.

Authorized Representative



**CHUBB®****Property Insurance****Endorsement**

**Policy Period** JULY 1, 2019 TO JULY 1, 2020

**Effective Date** JULY 1, 2019

**Policy Number** 3594-16-31 PHL

**Insured** FC PENNSYLVANIA STADIUM, LLC T/A TALEN ENERGY STADIUM

**Name of Company** FEDERAL INSURANCE COMPANY

**Date Issued** AUGUST 1, 2019

This Endorsement applies to the following forms:

BUILDING AND PERSONAL PROPERTY  
 PROPERTY/BUSINESS INCOME CONDITIONS & DEFINITIONS  
 BUSINESS INCOME WITH EXTRA EXPENSE  
 MOBILE EQUIPMENT

**SCHEDULE**

|                  |                                                                          |           |
|------------------|--------------------------------------------------------------------------|-----------|
| <b>Premises:</b> | 2501 SEAPORT DR AND ONE STADIUM<br>CHESTER, PENNSYLVANIA 19013           |           |
|                  | Discharge of Water Deductible:                                           | \$ 75,000 |
|                  | Discharge of Water Waiting Period:                                       | 24 HOURS  |
| <b>Premises:</b> | 2525 SEAPORT DR<br>CHESTER, PENNSYLVANIA 19013                           |           |
|                  | Discharge of Water Deductible:                                           | \$ 75,000 |
| <b>Premises:</b> | 2501 SEAPORT DR<br>THE WHARF AT RIVERTOWN<br>CHESTER, PENNSYLVANIA 19013 |           |
|                  | Discharge of Water Deductible:                                           | \$ 75,000 |
|                  | Discharge of Water Waiting Period:                                       | 24 HOURS  |

Under Deductible, and only with respect to the premises shown in the Schedule above, the following is added:

**Deductible****Water**

We will pay the amount of loss or damage in excess of the applicable Discharge Of Water, Inundation, Back-up And Mudflow, or Leakage From Fire Protection Equipment Deductible(s) shown in the Schedule above, if such loss or damage is caused by or results from **discharge of water, inundation, back-up and mudflow, or leakage from fire protection equipment.**

**CHUBB®**

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***Property Endorsement***  
*(continued)*

All other terms and conditions remain unchanged.

*Authorized Representative*



**CHUBB®****Property Insurance****Endorsement**

**Policy Period** JULY 1, 2019 TO JULY 1, 2020

**Effective Date** JULY 1, 2019

**Policy Number** 3594-16-31 PHL

**Insured** FC PENNSYLVANIA STADIUM, LLC T/A TALEN ENERGY STADIUM

**Name of Company** FEDERAL INSURANCE COMPANY

**Date Issued** AUGUST 1, 2019

This Endorsement applies to the following forms:

BUILDING AND PERSONAL PROPERTY  
 BUSINESS INCOME WITH EXTRA EXPENSE  
 PROPERTY/BUSINESS INCOME CONDITIONS & DEFINITIONS

**SCHEDULE**

**Premises:** 2501 SEAPORT DR AND ONE STADIUM  
 CHESTER, PENNSYLVANIA 19013  
 COUNTY OF DELAWARE

**Premises:** 2525 SEAPORT DR  
 CHESTER, PENNSYLVANIA 19013  
 COUNTY OF DELAWARE

**Premises:** 2501 SEAPORT DR  
 THE WHARF AT RIVERTOWN  
 CHESTER, PENNSYLVANIA 19013  
 COUNTY OF DELAWARE

Property Damage Dollar Deductible: \$ 75,000

If Tier 1 or Tier 2 is shown in the Schedule above, the following applies:

Tier 1 locations means:

The following counties in the state of Alabama:

- Baldwin, Mobile



## **Property Endorsement**

*(continued)*

The following counties in the state of Florida:

- Bay, Brevard, Broward, Charlotte, Citrus, Collier, Dade, Dixie, Duval, Escambia, Flagler, Franklin, Gulf, Hernando, Hillsborough, Indian River, Jefferson, Lee, Levy, Manatee, Martin, Monroe, Nassau, Okaloosa, Palm Beach, Pasco, Pinellas, Santa Rosa, Sarasota, St. Johns, St. Lucie, Taylor, Volusia, Walton, and Wakulla

The following counties in the state of Georgia:

- Bryan, Camden, Chatham, Glynn, Liberty, McIntosh

The following parishes in the state of Louisiana:

- Cameron, Iberia, Jefferson, Lafourche, Orleans, Plaquemines, St. Bernard, St. Mary, St. Tammany, Terrebonne, Vermilion

The following counties in the state of Mississippi:

- Hancock, Harrison, Jackson

The following counties in the state of North Carolina:

- Brunswick, Camden, Carteret, Currituck, Dare, Hyde, New Hanover, Onslow, Pamlico, Pender

The following counties in the state of South Carolina:

- Beaufort, Berkeley, Charleston, Colleton, Georgetown, Horry, Jasper

The following counties in the state of Texas:

- Aransas, Brazoria, Calhoun, Cameron, Chambers, Galveston, Kenedy, Kleberg, Jackson, Jefferson, Matagorda, Nueces, Refugio, San Patricio, Willacy

The following counties in the state of Virginia:

- Accomack, City of Virginia Beach, Northhampton

Tier 2 locations means:

The following counties in the state of Alabama:

- Clarke, Covington, Escambia, Geneva, Monroe, Washington

The following counties in the state of Florida:

- Rest of State (Other than Tier 1 Florida counties)

The following counties in the state of Georgia:

- Brantley, Charlton, Effingham, Long, Wayne

The following parishes in the state of Louisiana:

- Acadia, Assumption, Calcasieu, Jefferson Davis, Lafayette, St. Charles, St. James, St. John the Baptist, St. Martin

The following counties in the state of Mississippi:

- George, Pearl River, Stone

The following counties in the state of North Carolina:

- Beaufort, Columbus, Craven, Jones, Pasquotank, Perquimans, Tyrrell

**CHUBB®****Property Insurance****Endorsement****Effective Date** JULY 1, 2019**Policy Number** 3594-16-31 PHL

The following counties in the state of South Carolina:

- Dorchester, Hampton, Marion, Williamsburg

The following counties in the state of Texas:

- Bee, Brooks, Fort Bend, Goliad, Hardin, Harris, Hidalgo, Jim Wells, Liberty, Orange, Victoria, Wharton

The following counties in the state of Virginia:

- City of Chesapeake, City of Hampton, City of Newport News, City of Norfolk, City of Portsmouth

**Policy language follows**



**CHUBB®**

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**CHUBB®****Property Insurance****Endorsement****Effective Date** JULY 1, 2019**Policy Number** 3594-16-31 PHLFor the peril of **windstorm**, the Deductible provision is deleted:

- only with respect to the forms shown above;
- for the premises shown in the Schedule above; and
- for any premises not shown in the Schedule above and not shown in the Declarations,

and is replaced by the following:

**Deductible**

- A. For the premises shown in the Schedule above:
1. the percentage deductible shown for the applicable premises will apply; or
  2. if no percentage deductible is shown, then the Property Damage Dollar Deductible amount shown for the applicable premises will apply; and
- B. For any premises not shown in the Schedule above or in the Declarations, the applicable deductible will be the greater of:
1. the lowest percentage deductible shown in the Schedule above, subject to its applicable Property Damage Minimum Dollar Deductible Amount;
  2. if no percentage deductible is shown in the Schedule above, then the lowest Property Damage Dollar Deductible shown in the Schedule above; or
  3. the applicable property deductible shown in the Declarations.
- C. In no event will the deductible amount determined above be less than the applicable Property Damage Minimum Dollar Deductible amount shown in the Schedule above.
- D. The most we will pay, in any **occurrence**, for direct physical loss or damage to property caused by or resulting from **windstorm**:
1. after application of Coinsurance, if applicable;
  2. in excess of the applicable Property Damage Percentage Deductible or Property Damage Dollar Deductible shown in the Schedule above; and
  3. for all the applicable property coverages provided in the forms shown above,
- is the lesser of the applicable Limits Of Insurance shown in the Declarations or as otherwise shown.
- E. The applicable deductible shown in the Schedule above applies separately at each premises for each **occurrence**.

**CHUBB®****Deductible**  
(continued)**F. Property Damage Percentage Deductible:**

As used in this endorsement, the terms "specific insurance" and "blanket insurance" have the following meanings:

1. Specific insurance covers each type of coverage under separate specific Limits Of Insurance at one premises (for example, each **building** or **personal property** in a **building**).
2. Blanket and Loss Limit insurance covers:
  - a. two or more types of coverage at one or more premises under a single Limit Of Insurance (for example, **building** and **personal property** in that **building** or **building** and **personal property** at two or more premises); or
  - b. one type of coverage at two or more premises under a single Limit Of Insurance (for example, **personal property** at two or more premises).

**G. Types of coverages and corresponding Limits Of Insurance are shown in the Declarations.**1. **Specific Insurance:**

In determining the amount, if any, that we will pay for loss or damage for each specific type of coverage that sustained direct physical loss or damage, we will separately for each such type of coverage:

- a. apply the applicable deductible percentage shown in the Schedule above, to the applicable Limits Of Insurance shown in the Declarations; or
- b. if the applicable premises shown in the Schedule above shows Apply Percentage To Statement Of Values, we will multiply the deductible percentage shown in the Schedule above for that premises, by the 100% values you most recently furnished to us for the type of covered property that sustained direct physical loss or damage.

We will pay the loss or damage in excess of such deductible amount determined above, subject to the applicable Limit Of Insurance for each insured type of coverage.

2. **Blanket Insurance and Loss Limit Of Insurance:**

In determining the amount, if any, that we will pay for loss or damage for each premises shown in the Schedule above, we will separately at each premises that sustained loss or damage:

- a. apply the applicable percentage shown in the Schedule above to the sum of:
  - (1) the 100% values you most recently furnished to us for the types of covered property that sustained direct physical loss or damage; and
  - (2) the 100% values you most recently furnished to us for the same types of covered property that did not sustain direct physical loss or damage, but are located at the same premises that sustained loss or damage,
 to determine the applicable deductible; and
- b. pay the loss or damage in excess of such deductible amount determined above, subject to the applicable Limits Of Insurance for such covered property.

If a loss involves both specific insurance and blanket insurance, the deductible amount will be determined and apply separately for blanket insurance and separately for specific insurance, subject to the applicable Limits Of Insurance.

**CHUBB®****Property Insurance****Endorsement****Effective Date** JULY 1, 2019**Policy Number** 3594-16-31 PHL**Deductible**  
(continued)**H. Property Damage Dollar Deductible:**

The applicable Limits Of Insurance for the property coverages:

1. do not apply until the amount of loss or damage exceeds the applicable deductible amount shown above; and
2. apply in excess of that deductible amount.

PROPERTY DAMAGE DOLLAR DEDUCTIBLE: The deductible amount shown above applies to the property coverages shown in the Schedule above and to the property coverages shown in the Declarations above.

For the peril of **windstorm**, the Waiting Period provision is deleted:

- only with respect to the forms shown above;
- for the premises shown in the Schedule above;
- for any premises shown in the Declarations; and
- for any premises not shown in the Schedule above and not shown in the Declarations,

and is replaced by the following:

**Waiting Period**

Following covered direct physical loss or damage to **property** at the premises shown above and at any premises not shown in the Schedule above and not shown in the Declarations, we will pay the amount of **business income** or **rental income** loss that is incurred after the applicable Waiting Period shown in the Schedule above, not to exceed the applicable Limits Of Insurance.

The applicable Waiting Period shown in the Schedule above:

- applies separately for each **occurrence** at each premises and to each type of coverage that sustained direct physical loss or damage;
- begins immediately following the direct physical loss or damage to **property** by a **covered peril**;
- only applies at premises that suffers a **business income** or **rental income** loss; and
- does not apply to **extra expense**.

If no waiting period is shown in the Schedule above, the waiting period will be the:

- applicable waiting period shown in the Declarations or as otherwise shown; or
  - first 24 normal business hours following the direct physical loss or damage,
- whichever is longer.

Hours shown for the waiting period are normal business hours.

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Under Definitions, the following is added:

**Definitions**

**Windstorm**

**Windstorm** means:

- wind;
  - wind-driven rain;
  - erosion of soil or other land caused by or resulting from wind or wind driven rain;
  - hail; or
  - collapse of a building or other structure caused by or resulting from wind,
- regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

**Windstorm** does not mean:

- frost;
- cold weather;
- snow; or
- sleet or ice (other than hail),

whether driven by wind or not.

All other terms and conditions remain unchanged.

Authorized Representative



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***Common Policy Conditions Section***

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**Policy Conditions****Schedule of Forms**

*Policy Period* JULY 1, 2019 TO JULY 1, 2020  
*Effective Date* JULY 1, 2019  
*Policy Number* 3594-16-31 PHL  
*Insured* FC PENNSYLVANIA STADIUM, LLC T/A TALEN ENERGY STADIUM  
*Name of Company* FEDERAL INSURANCE COMPANY  
*Date Issued* AUGUST 1, 2019

The following is a schedule of forms issued as of the date shown above:

| <i>Form Number</i> | <i>Edition<br/>Date</i> | <i>Form Name</i>                              | <i>Effective<br/>Date</i> | <i>Date<br/>Issued</i> |
|--------------------|-------------------------|-----------------------------------------------|---------------------------|------------------------|
| 80-02-9780         | 3-11                    | NOTICE OF CANCEL TO SCHEDULED PERSONS OR ORGS | 07/01/19                  | 08/01/19               |
| 80-02-9001         | 6-98                    | HOW TO REPORT A LOSS                          | 07/01/19                  | 08/01/19               |
| 80-02-9090         | 6-05                    | COMMON POLICY CONDITIONS                      | 07/01/19                  | 08/01/19               |
| 80-10-9113         | 4-09                    | IMPORTANT NOTICE                              | 07/01/19                  | 08/01/19               |
| 80-02-9301         | 2-98                    | NAMED INSURED                                 | 07/01/19                  | 08/01/19               |
| 80-02-9739         | 8-03                    | PENNSYLVANIA MANDATORY-CANCELLATION TERMS     | 07/01/19                  | 08/01/19               |
| 80-02-9790         | 3-12                    | COND - CIVIL UNIONS OR DOMESTIC PARTNERSHIPS  | 07/01/19                  | 08/01/19               |
| 80-02-9800         | 12-08                   | INSURING AGREEMENT                            | 07/01/19                  | 08/01/19               |
| 99-10-0732         | 1-15                    | NOTICE TO POLICYHOLDERS-TRIPRA                | 07/01/19                  | 08/01/19               |
| 99-10-0792         | 9-04                    | IMPORTANT NOTICE - OFAC                       | 07/01/19                  | 08/01/19               |
| 99-10-0872         | 6-07                    | AOD POLICYHOLDER NOTICE                       | 07/01/19                  | 08/01/19               |

last page



## ***Common Policy Conditions***

### ***Contract***

#### ***Conditions***

The following Conditions are included under each part of the policy, unless stated otherwise.

#### ***Audit Of Books And Records***

We may audit your books and records as they relate to this insurance at any time during the term of this policy and up to three years afterwards.

#### ***Cancellation***

The first named insured may cancel this policy or any of its individual coverages at any time by sending us a written request or by returning the policy and stating when thereafter cancellation is to take effect.

We may cancel this policy or any of its individual coverages at any time by sending to the first named insured a notice 60 days (20 days in the event of non-payment of premium) in advance of the cancellation date. Our notice of cancellation will be mailed to the first named insured's last known address, and will indicate the date on which coverage is terminated. If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice.

The earned premium will be computed on a pro rata basis. Any unearned premium will be returned as soon as practicable.

#### ***Changes***

This policy can only be changed by a written endorsement that becomes part of this policy. The endorsement must be signed by one of our authorized representatives.

#### ***Compliance By Insureds***

We have no duty to provide coverage under this policy unless you and any other involved insured have fully complied with all of the terms and conditions of the policy.

#### ***Compliance With Applicable Trade Sanctions***

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance.

#### ***Conformance***

Any terms of this insurance which are in conflict with the applicable statutes of the State in which this policy is issued are amended to conform to such statutes.

#### ***First Named Insured***

The person or organization first named in the Declarations is primarily responsible for payment of all premiums. The first named insured will act on behalf of all other named insureds for the giving and receiving of notice of cancellation or nonrenewal and the receiving of any return premiums that become payable under this policy.

#### ***Inspections And Surveys***

We may:

- make inspections and surveys at any time;
- give you reports on the conditions we find; and
- recommend changes.



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**Conditions****Inspections And Surveys  
(continued)**

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

- are safe or healthful; or
- comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations for us.

**Titles Of Paragraphs**

The titles of the various paragraphs of this policy and endorsements, if any, attached to this policy are inserted solely for convenience or reference and are not to be deemed in any way to limit or affect the provisions to which they relate.

**Transfer Of Rights And  
Duties**

Your rights and duties under this insurance may not be transferred without our written consent. However, if you die, then your rights and duties will be transferred to your legal representative, but only while acting within the scope of duties as your legal representative, or to anyone having temporary custody of your property until your legal representative has been appointed.

**When We Do Not Renew**

If we decide not to renew this policy, we will mail or deliver to the first named insured's last known address, written notice of the nonrenewal not less than 60 days before the expiration date. If notice of nonrenewal is mailed, proof of mailing will be sufficient proof of notice.

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## ***Common Policy Conditions Section***

## ***Endorsements***

**CHUBB®****Policy Conditions****Endorsement**

**Policy Period** JULY 1, 2019 TO JULY 1, 2020

**Effective Date** JULY 1, 2019

**Policy Number** 3594-16-31 PHL

**Insured** FC PENNSYLVANIA STADIUM, LLC T/A TALEN ENERGY STADIUM

**Name of Company** FEDERAL INSURANCE COMPANY

**Date Issued** AUGUST 1, 2019

This Endorsement applies to the following forms:

COMMON POLICY CONDITIONS

Under Conditions, the following condition is added.

**Conditions****Civil Unions Or Domestic Partnerships**

All references in the policy to "spouse" include a party to a civil union or domestic partnership recognized under the applicable law of the jurisdiction having authority.

All other terms and conditions remain unchanged.

Authorized Representative



**CHUBB®****Policy Conditions****Endorsement**

**Policy Period** JULY 1, 2019 TO JULY 1, 2020

**Effective Date** JULY 1, 2019

**Policy Number** 3594-16-31 PHL

**Insured** FC PENNSYLVANIA STADIUM, LLC T/A TALEN ENERGY STADIUM

**Name of Company** FEDERAL INSURANCE COMPANY

**Date Issued** AUGUST 1, 2019

This Endorsement applies to the following forms:

COMMON POLICY CONDITIONS

The following changes are made as respects exposures in the state of Pennsylvania.

Under Conditions, the provisions titled Cancellation and When We Do Not Renew are deleted and replaced by the following:

**Conditions****Cancellation**

This endorsement does not apply to coverage provided by Commercial Crime - Blanket Employee Dishonesty Coverage.

A. The first Named Insured shown in the Declarations may cancel this policy by writing or giving notice of cancellation.

B. *Cancellation of policies in effect for less than 60 days.*

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 30 days before the effective date of cancellation.

C. *Cancellation of policies in effect for 60 days or more.*

1. If this policy has been in effect for 60 days or more or if this policy is a renewal of a policy we issued, we may cancel this policy only for one or more of the following reasons:

a. You have made a material misrepresentation which affects the insurability of the risk. Notice of cancellation will be mailed or delivered at least 15 days before the effective date of cancellation.

**Conditions****Cancellation**  
(continued)

- b. You have failed to pay a premium when due, whether the premium is payable directly to us or our agents or indirectly under a premium finance plan or extension of credit. Notice of cancellation will be mailed at least 15 days before the effective date of cancellation.
- c. A condition, factor or loss experience material to insurability has changed substantially or a substantial condition, factor or loss experience material to insurability has become known during the policy period. Notice of cancellation will be mailed or delivered at least 60 days before the effective date of cancellation.
- d. Loss of reinsurance or a substantial decrease in reinsurance has occurred, which loss or decrease, at the time of cancellation, shall be certified to the Insurance Commissioner as directly affecting in-force policies. Notice of cancellation will be mailed or delivered at least 60 days before the effective date of cancellation.
- e. Material failure to comply with policy terms, conditions or contractual duties. Notice of cancellation will be mailed or delivered at least 60 days before the effective date of cancellation.
- f. Other reasons that the Insurance Commissioner may approve. Notice of cancellation will be mailed or delivered at least 60 days before the effective date of cancellation.

This policy may also be canceled from inception upon discovery that the policy was obtained through fraudulent statements, omissions or concealment of facts material to the acceptance of the risk or to the hazard assumed by us.

- \* D. We will mail or deliver our notice to the first Named Insured's last mailing address known to us. Notice of cancellation will state the specific reasons for cancellation. At your request, we will provide loss information for the last 3 years of the policy.
- E. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- F. If this policy is canceled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata and will be returned within 10 business days after the effective date of cancellation. If the first Named Insured cancels, the refund may be less than pro rata and will be returned within 30 days after the effective date of cancellation. The cancellation will be effective even if we have not made or offered a refund.
- G. If notice is mailed, it will be registered or first class mail. Proof of mailing will be sufficient proof of notice.

**Nonrenewal**

If we decide not to renew this policy, we will mail or deliver written notice of nonrenewal, stating the specific reasons for nonrenewal, to the first Named Insured at least 60 days before the expiration date of the policy. Written notice of nonrenewal will state the specific reasons for nonrenewal. At your request, we will provide loss information for the last 3 years of the policy.

CHUBB®

## Policy Conditions

### Endorsement

**Effective Date** JULY 1, 2019

**Policy Number** 3594-16-31 PHL

Under Conditions, the following provision is added:

### Conditions

#### Premium Change At Renewal

If we increase your renewal premium, we will mail or deliver to the first Named Insured written notice of our intent to increase the premium at least 30 days before the effective date of premium increase.


Under Conditions, the following provision is added:

#### Mailing Of Notices

Any notice of nonrenewal or renewal premium increase will be mailed or delivered to the first Named Insured's last known address. If notice is mailed, it will be by registered or first class mail. Proof of mailing will be sufficient proof of notice.

All other terms and conditions remain unchanged.

Authorized Representative



**CHUBB®****Policy Conditions****Endorsement**

*Policy Period* JULY 1, 2019 TO JULY 1, 2020

*Effective Date* JULY 1, 2019

*Policy Number* 3594-16-31 PHL

*Insured* FC PENNSYLVANIA STADIUM, LLC T/A TALEN ENERGY STADIUM

*Name of Company* FEDERAL INSURANCE COMPANY

*Date Issued* AUGUST 1, 2019

This Endorsement applies to the following forms:

COMMON POLICY CONDITIONS

Under Conditions, the following condition is added.

**Conditions****Notice Of Cancellation  
To Scheduled Persons  
Or Organizations When  
We Cancel**

When we cancel this policy we will notify person(s) or organizations(s) shown in the Schedule at least 30 days (10 days in the event of nonpayment of premium) in advance of the cancellation date.

Any failure by us to notify such person(s) or organization(s) will not:

- impose any liability or obligation of any kind upon us; or
- invalidate such cancellation.

**Schedule**

Person(s) or Organization(s): BANK OF AMERICA, N.A.  
ATTN: MAC LEGAL INSURANCE MONITORING TX1-492-14-06

Address: 901 MAIN STREET, 14TH FLOOR DALLAS, TEXAS 75252

Person(s) or Organization(s): GOLDMAN SACHS BANK, USA, AS ADMINISTRATIVE AGENT

AND  
COLLATERAL AGENT, ITS SUCCESSORS AND/OR ASSIGNS

Address: ATTN: SBD OPERATIONS  
C/O GOLDMAN, SACHS & CO.  
30 HUDSON STREET, 36TH FLOOR  
JERSEY CITY, NJ 07302

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**Conditions**  
(continued)

All other terms and conditions remain unchanged.

Authorized Representative





**CHUBB®****Policy Conditions****Endorsement**

*Policy Period* JULY 1, 2019 TO JULY 1, 2020

*Effective Date* JULY 1, 2019

*Policy Number* 3594-16-31 PHL

*Insured* FC PENNSYLVANIA STADIUM, LLC T/A TALEN ENERGY STADIUM

*Name of Company* FEDERAL INSURANCE COMPANY

*Date Issued* AUGUST 1, 2019

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This Endorsement applies to the following forms:

PROPERTY DECLARATIONS

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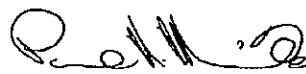
The Named Insured is amended to include the following:

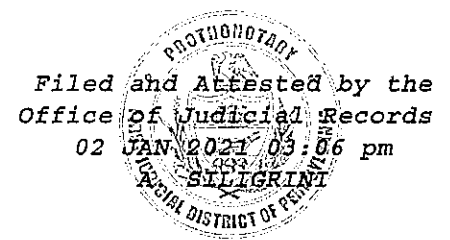
**Named Insured**

FC PENNSYLVANIA STADIUM, LLC T/A TALEN ENERGY STADIUM  
 PENNSYLVANIA PROFESSIONAL SOCCER, LLC, AFFILIATE OF FCPS  
 KEYSTONE SPORTS AND ENTERTAINMENT, LLC, AFFILIATE OF FCPS  
 DELAWARE COUNTY CHESTER WATERFRONT INDUSTRIAL DEVELOPMENT  
 AUTHORITY (DCCWIDA)  
 RIVERTOWN TCL L.P.  
 THE WHARF AT RIVERTOWN  
 RIVERTOWN DEVELOPER L.P.

All other terms and conditions remain unchanged.

*Authorized Representative*





# Exhibit 2

**CHUBB**

Eastern Claim Service Center  
 600 Independence Parkway  
 Chesapeake, VA 23320  
 O: (800) 252-4670  
 F: (800) 664-5358  
 E: USPropertyClaims@chubb.com

Mailing Address  
 P.O. Box 4700  
 Chesapeake, VA 23327-4700

June 17, 2020

FC Pennsylvania Stadium, LLC T/A Talen Energy Stadium  
 Attn.: Dave Debusschere  
 2501 Seaport Drive, BH100  
 Chester, PA 19013

Re: Insured: FC Pennsylvania Stadium, LLC T/A Talen Energy Stadium  
 Policy Number: 000035941631  
 Claim Number: 047520011100  
 Date of Loss: May 22, 2020  
 Cause of Loss: COVID-19/Coronavirus  
 Loss Location: 2501 SEAPORT DR AND ONE STADIUM, CHESTER, PA  
 19013  
 2525 SEAPORT DR, CHESTER, PA 19013  
 2501 SEAPORT DR, THE WHARF AT RIVERTOWN,  
 CHESTER, PA 19013  
 12 REANEY ST, CHESTER, PA 19013  
 19 REANEY ST, CHESTER, PA 19013  
 Writing Company: Federal Insurance Company

Dear Mr. Debusschere,

This letter is to advise you that we have completed our investigation of this matter based on the information and supporting documentation provided to date. Based on Federal Insurance Company ("Chubb's") review of the available claim information, Chubb must respectfully deny coverage for the claim your company has submitted. The bases for this denial are outlined and discussed below.

We understand that FC Pennsylvania Stadium, LLC T/A Talen Energy Stadium ("FC Pennsylvania") is business which owns Subaru Park, the home of Major League Soccer's Philadelphia Union. It is a multipurpose facility features 29 luxury suites, a full-service club restaurant and a built-in concert stage. We understand that FC Pennsylvania has reported a business income loss due to the series of governmental orders originally established on March 6, 2020. This letter will provide our analysis of coverage on the claim asserted by FC Pennsylvania.

Chubb's investigation included the review of the following Executive Orders issued by the Governor of the Commonwealth of Pennsylvania: Order dated March 19, 2020 which required the closure of non-life sustaining businesses; Order dated April 1, 2020 requiring all residents in the Commonwealth to stay at home except as needed to access, support, or provide life-sustaining businesses, emergency, or governmental services; Order dated April 20, 2020 extending the previous stay at home orders to remain in effect until May 8, 2020. It is our

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understanding Delaware County is currently in the “yellow phase” of Governor Wolf’s Process to Reopen Pennsylvania plan.

Chubb provides first-party property insurance to FC Pennsylvania Stadium as provided by the terms and conditions of policy number 000035941631 (the “policy”). Please be assured that we have undertaken a thorough investigation to determine the cause of the loss and any potentially applicable coverage under your policy.

Chubb specifically directs your attention to the following terms and provisions of your policy, which are excerpted below for ease of reference.

Please refer to the Policy’s **Building And Personal Property** form 80-02-1000 (Rev. 3-19), which provides, in relevant part, as follows:

### **Premises Coverages**

The following Premises Coverages apply only at those premises for which a Limit Of Insurance applicable to such coverages is shown in the Declarations.

Except as otherwise provided, the loss or damage must:

- be caused by or result from a peril not otherwise excluded; and
- occur at, or within 1,000 feet of, the premises shown in the Declarations.

#### **Building Or Personal Property**

We will pay for direct physical loss or damage to:

- **building; or**
- **personal property,**

caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Building Or Personal Property shown in the Declarations.

Based on the information that was provided to us, Chubb’s investigation has concluded that FC Pennsylvania presented no evidence of direct physical loss or damage to **building** or **personal property**. Accordingly, the terms of the policy’s Premises Coverage for Building Or Personal Property have not been met and coverage does not apply.

In addition, please refer to the **Business Income With Extra Expense** form 80-02-1004

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(Rev. 3-19), which provides, in relevant part, as follows:

### **Premises Coverages**

The following Premises Coverages apply only at those premises for which a Limit Of Insurance applicable to such coverages is shown in the Declarations.

Except as otherwise provided, direct physical loss or damage must:

- be caused by or result from a **covered peril**; and
- occur at, or within 1,000 feet of, the premises, other than a **dependent business premises**, shown in the Declarations.

### **Business Income And Extra Expense**

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**,

during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Business Income With Extra Expense shown in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to **property**, unless otherwise stated.

This Premises Coverage applies only at those premises:

- where you incur a **business income** loss or **extra expense**; and
- for which a Limit Of Insurance for Business Income With Extra Expense is shown in the Declarations.

Here, Chubb's investigation revealed that FC Pennsylvania Stadium, LLC T/A Talen Energy Stadium presented no direct physical loss or damage to property as required by the policy to trigger the policy's Premises Coverage for Business Income And Extra Expense. Rather, it is Chubb's conclusion that all nonessential businesses were required to limit all activities at facilities to slow the spread of COVID-19 to the maximum extent possible. As the impairment of your operations was not due to direct physical loss or damage to property at or within 1,000 feet

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of your premises, the terms of the policy's Premises Coverage for Business Income And Extra Expense have not been met and coverage does not apply.

The **Business Income With Extra Expense** form 80-02-1004 (Rev. 3-19) further provides, in relevant part, the following Additional Coverages:

Civil Authority

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**, directly caused by the prohibition of access to:
- your premises; or
- a **dependent business premises**,

by a civil authority.

This prohibition of access by a civil authority must be the direct result of direct physical loss or damage to property away from such premises or such **dependent business premises** by a **covered peril**, provided such property is within:

- one mile; or
- the applicable miles shown in the Declarations,

from such premises or **dependent business premises**, whichever is greater.

The most we will pay for Civil Authority is the applicable Limit Of Insurance for Business Income With Extra Expense shown in the Declarations.

Chubb has determined, based upon currently available information, that the foregoing Additional Coverage for Civil Authority does not afford coverage for your claim for business interruption. First, in order for this provision to apply, there must be a prohibition of access to your premises or a **dependent business premises**. Here, access to your premises was not prohibited. In fact, we understand that your premises were, at all relevant times accessible and utilized to complete duties such as cleaning and building checks as necessary. Accordingly, because the orders noted above did not prohibit access to your premises, this provision does not apply. No information has been provided establishing that your claim for business interruption was the result of any prohibition of access by a civil authority to your premises or a **dependent business premises**.

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Even if access to your premises or a **dependent business premise** was prohibited, which it was not, this policy provision also requires that any prohibition of access must be the direct result of direct physical loss or damage to property away from, but within the greater of one mile or the applicable miles shown in the Declarations, such premises. Chubb has concluded that no civil authority order impacting your operations was actually issued due to the direct result of direct physical loss or damage to property away from, but within the greater of one mile or the applicable miles shown in the Declarations, such premises. As there is no evidence of actual direct physical loss or damage to property away from, but within the greater of one mile or the applicable miles shown in the Declarations, the terms of this Additional Coverage have not been met and coverage therefore does not apply.

#### Dependent Business Premises

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**,

during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Dependent Business Premises shown under Business Income in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril to property or personal property of a dependent business premises at a dependent business premises**.

You may purchase higher limits for specific **dependent business premises** only by showing such premises in the Declarations. Such higher limits apply to actual **business income** loss or **extra expense** only if the covered direct physical loss or damage occurs at such **dependent business premises**.

This Additional Coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or **flood**.

Based on the information that was provided to us, Chubb's investigation has concluded that FC Pennsylvania presented no evidence of direct physical loss or damage to a property or personal property of a dependent business premises which has caused an impairment of your operations. Accordingly, the terms of the policy's Additional Coverage for Dependent Business Premises have not been met and coverage does not apply.

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We call your attention to the **Business Income With Extra Expense** coverage Form 80-02-1004 (Rev. 3-19) further provides, in relevant part, the following Additional Coverages:

*Prohibition Of Access*

We will pay for the actual:

- **business income** loss; and
- **extra expense**,

you incur due to the actual impairment of your **operations**, directly caused by the prohibition of access to a premises shown in the Declarations by a civil authority, not to exceed the applicable Per Occurrence Limit Of Insurance for Prohibition Of Access shown in the Schedule above.

This prohibition of access must be the direct result of a peril (not otherwise excluded by the Building And Personal Property Contract included in this policy) that:

- A. has occurred at or within 1,000 feet of such premises; or
- B. is certain to occur imminently, provided the prohibition of access:
  - 1. does not apply to a geographic area of more than 5,000 square feet;
  - 2. only applies to a premises shown in the Declarations.

The coverage will begin immediately following the time the civil authority prohibits access.

The coverage will apply for a period of:

- up to 30 consecutive days after the coverage begins; or
- when your **business income** loss ends,

whichever occurs first.

This Additional Coverage does not apply:

- A. if the prohibition of access is caused by or results from:
  - 1. direct physical loss or damage to property;
  - 2. weather conditions; or



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3. earthquake or **flood**; or

B. to **business income** loss, unless a Limit Of Insurance for Business Income is shown in the Declarations applicable to the premises where prohibition of access occurred.

Chubb has determined, based upon currently available information, that the foregoing Additional Coverage for Prohibition Of Access does not afford coverage for your claim for business interruption. First, as more fully explained above, there was no prohibition of access to a premises shown in the Declarations by a civil authority. Accordingly, this provision does not apply.

Second, even if access to your premises was prohibited, which it was not, such prohibition of access was not the direct result of a peril (not otherwise excluded by the Building And Personal Property Contract included in this policy) that has either occurred at or within 1,000 feet of such premises or is certain to occur imminently, provided the prohibition of access: 1. does not apply to a geographic area of more than 1,000 square feet; or 2. only applies to a premises shown in the Declarations. The facts of your claim do not trigger either of these two requirements for coverage.

Specifically, even assuming that access to your premises was prohibited, which it was not, such prohibition was not the direct result of the fact that COVID-19 had occurred at or within 1,000 feet of your premises. Neither was it the direct result of an imminent occurrence of COVID-19 which applies to a geographic area of less than 1,000 square feet or only to your premises. Instead, the orders referenced above were designed to reduce the spread of COVID-19 generally in the Commonwealth of Pennsylvania, and not because the virus was discovered within 1,000 feet of your premises; nor were the orders limited to a geographic area of 1,000 square feet or less, or to a premises shown in the Declarations. Thus, this Additional Coverage provision for Prohibition of Access does not provide coverage for this matter.

Based on the above-cited policy wording and analysis, and as stated above, Chubb must respectfully deny coverage under your policy.

Without waiver of the declination of coverage set forth in this letter, the policy contains the following definition of **covered peril** in the **Property/Business Income Conditions and Definitions** form 80-02-1097 (Rev. 3-19):

**Covered peril** means a peril covered by the Form(s) shown in the Property Insurance Schedule Of Forms, except Care, Custody Or Control Legal Liability, applicable to the lost or damaged **property**.

For the purposes of:

- **personal property of a dependent business premises;**

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- **personal property of a utility;** or
- **service property,**

**covered peril** means a peril covered by the Building and Personal Property Contract included in this policy applicable to **building** or **personal property** at a premises shown in the Declarations.

The Policy also contains the following exclusion contained within the Policy's **Building And Personal Property** form 80-02-1000 (Rev. 3-19):

#### **Policy Exclusions**

The following Policy exclusions apply.

##### **Acts Or Decisions**

This insurance does not apply to loss or damage caused by or resulting from acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

This Acts Or Decisions exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Chubb reserves the right to rely and/or assert the foregoing exclusion in connection with this claim.

Please note Chubb's determination as described in this letter is based on information currently available to it. These facts consisted of information reported by you and your representatives, along with presently available information. If you are aware of any other information that you believe would weigh on our decision, we invite you to submit that information for our prompt review. This letter is not to be construed as a waiver of the rights and defenses of Chubb under the policy and/or at law, all of which are expressly reserved.

Although there is no coverage under your policy because, among other reasons, there has been no direct physical loss or damage, Chubb reminds you of the "Legal Action Against Us" condition found on page 5 of 30 of the Property/Business Income Conditions And Definitions, form 80-02-1097 (Rev. 3-19), which states, in relevant part:

No legal action may be brought against us unless:

- there has been full compliance with all the terms of this insurance; and
- the action is brought within three years after the date on which the direct physical loss or damage occurred.

This letter only addresses those provisions that appear pertinent at this time in light of the facts

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currently known to us. If there is any additional information that may affect our position or analysis, please forward such information.

Chubb reserves all rights with regard to the above referenced provisions as well as all other rights, remedies and defenses under the policy, at law and in equity. Nothing contained in this letter, and no action on our part or the part of independent adjusters or experts retained on our behalf in investigating and adjusting your claim, should be construed as an admission of coverage or as a waiver of any right, remedy or defense that may be available to Chubb.

Thank you for your patience and cooperation throughout the claim investigation process. Should you have any questions or wish to discuss the contents of this letter, please feel free to contact me at (240) 687-2113.

Sincerely,

*Elmer Wells*

Elmer Wells  
Senior Claim Examiner  
Chubb Insurance  
Cell: 240.687.2113  
Fax: 800.664.5358  
elmer.wells@chubb.com

cc: Johnson, Kendall and Johnson, Inc.